PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

AFTER THE AGE OF EXTREMES

Project Funding Details from the Barry Amiel and Norman Melburn Trust

As we approach the end of the twentieth century the legacy of socialist ideas and new societies is one that will help determine the evolution of a twenty-first century radicalism. There are valuable lessons to be learned, histories to study and ideas to generate for a better future.

It is in this spirit that The Barry Amiel and Norman Melburn Trust exists to fund projects that examine the future of Marxism, chart the history of socialism and study the working-class traditions that have shaped the Labour Party, the trade unions and the progressive social movements of our own, and previous ages. These aims may be carried out by those we fund in a broad range of ways, ranging from cultural productions to educational initiatives.

PUTTING PRINCIPLES INTO PRACTICE

First founded by Norman Melburn in memory of his friend, and fellow Marxist, Barry Amiel, today the trustees include writers, economists, historians, political scientists and activists.

> ***" Marxism is not a fixed interpretation of history and society but a critical method which generates a different critique in different periods and situations"***
>
> – Extract, Objects of the Barry Amiel and Norman Melburn Trust

FUNDING OUR FUTURE

The range of initiatives the trust is willing to consider is extraordinarily wide. This issue of ***Marxism Today***, theatrical tours, setting up a web-site, the technical equipment to produce an oral history and banner restoration have all received grants alongside individuals and groups engaged in research, organising conferences and producing published material.

If you are interested in applying for funding you will be asked to fill in a simple form. Applications are considered by the trustees at twice-yearly board meetings in January and June. To receive an application form or to find out how to make a financial contribution to the ongoing work of the trust please contact –

The Secretary, Barry Amiel & Norman Melburn Trust
5 North Villas, London NW1 9BJ

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Contents

2	**Leader** Martin Jacques	As we move into a new era, New Labour remains stuck in the old one
4	**The Death Of Neo-Liberalism** Eric Hobsbawm	The present global crisis marks the end of market fundamentalism
9	**The Great Moving Nowhere Show** Stuart Hall	Blair has failed to break with neo-liberalism and thereby squandered a golden opportunity
15	**Whinge And A Prayer** Geoff Mulgan	Academic navel gazing ignores the real responsibilities of ruling
17	**The Cultural Revolution** Suzanne Moore	After the decade when it pushed politics to the sidelines, culture has now come of age
22	**Blair's Word Wise Web** David Rowan, Matthew De Abaitua *Euan Ferguson*	Words speak louder than policies
24	**The Timid Tendency** David Held	New Labour has got globalisation wrong
28	**Big Boom Bang** Will Hutton	The global crisis demands a paradigm shift
29	**What Is To Be Done?** Gerald Holtham	A programme for global regulation
30	**The Market Myth** Anatole Kaletsky	Capitalism will survive the current crisis, but free market ideology may not
32	**Europe's Mr Cool** Antonio Polito	Will the European left be remade in the Blairite image?
33	**Inappropriate Relations** David Aaronovitch	Tony meets his Rupertgate
34	**The State We Should Be In** Will Hutton	The rising tide of inequality can be reversed
38	**Why Inequality Is Bad For You** Richard Wilkinson	Egalitarian societies are happier and healthier than unequal ones
40	**Breaking Up Is Hard To Do** Tom Nairn	The Scottish challenge exposes Blair's constitutional conservatism
44	**All Power To The Citizens** Anthony Barnett	Piecemeal reform without a clear sense of direction could all end in tears
47	**Nations Under A Groove** Yasmin Alibhai-Brown	As Britain divides into separate nations, how will the ethnic minorities fare?
48	**Essential Collection**	Ten of the best of the last ten years
50	**Sweet Liberty** Jonathan Freedland	The left must get back on the freedom trail
52	**Dome Rule** Jonathan Glancey	Blair's designs on power
54	**Home At Last?** Bhikhu Parekh	Where are the ethnic minorities in rebranded Britain's product mix?
55	**But Is It Art?** Angela McRobbie	Young British Artists are infected with the new commercial ethos
58	**Still The Second Sex** Helen Wilkinson	New Labour has gone soft on the gender agenda
60	**Heads Down** Oliver James	Despite warm words and happy talk we are still sinking into depression
61	**A Crying Shame** Susie Orbach	The emotional moment that we have allowed to dissipate
64	**Marx With Sparks** David Edgar	There is an empty casket in Highgate

COVER PHOTO: REX FEATURES

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Editor
Martin Jacques
Deputy Editor
Anne Coddington
Associate Editor
Stuart Hall
Editorial Assistants
Tim Dawson
Matthew De Abaitua
Art Director
J Brown
Marketing Consultant and Fund-Raiser
Mark Perryman

Thanks to the following for their help and assistance:
Geoff Andrews
Emmett Borcik
James Collard
Philip Cornwall
Tricia de Courcy Ling
Kevin Davey
Euan Ferguson
Matt ffytche
Caroline Harris
Alexis Harvey
Stefan Howald
Francis James
Jenni Moore
Dorota Nosowicz
Jeremy Novick
Pat and Andy at Bibliotech
Martin Perry
Herbert Pimlott
Matt Seaton
Nick Thoms
Julian Turner
Paul Webster

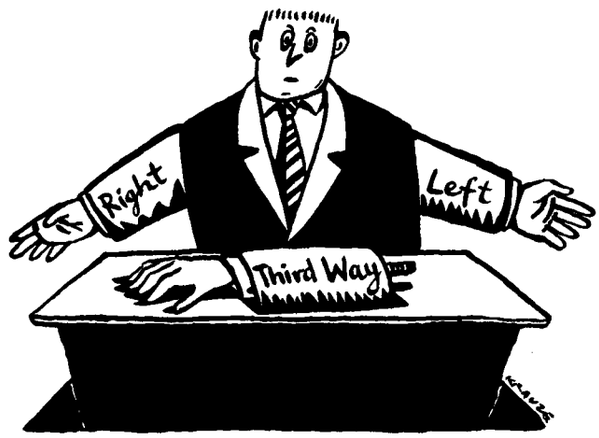
Photographs:
Eamonn McCabe, the Picture Editor of *The Guardian*, chose the 10 most significant photographs of the last decade, which are featured in this issue.

Thanks to Charlie Leadbeater for the idea of a special issue.

Published by Marxism Today, PO Box 10684, London N15 6XA.
Printed by Goodhead Print Group plc (Tel: 01869 363333)
Distributed by COMAG (Tel: 01895 444 055)
© Marxism Today

Despite appearances, Blair is stuck in the past, says

Good To Be Back



ANDRZEJ KRAUZE

Marxism Today closed in December 1991 when it was still riding high. That, by the conventional standards of British culture, where nothing is allowed to die, was a rather unusual act. We felt it was time to move on. Then, towards the end of last year, we began to discuss the idea of publishing a one-off issue of the magazine: its appeal, not least, was that it was, again, a rather unusual thing to do. More substantively, a great deal had happened in the seven years since the magazine had closed.

The reason for, and theme of, our return gig is the 'Blair project'. We should declare an interest. From the late 70s onwards, *Marxism Today* argued that the left was in a far more serious state than it recognised: in the path-breaking 'New Times' analysis of the late 80s, we argued that the left had lost touch with modernity, that the secret of Thatcherism's success was its understanding of modernity and its ability to appropriate the latter for itself. Unless the left moved onto the ground of modernity, and thereby transformed itself, it was destined for perpetual decline. We have no qualms about Blair's embrace of modernity: on the contrary, it was what we ourselves advocated over many years. It was fundamental to the *Marxism Today* 'position'.

'The task facing Blair was, and is, not simply to embrace modernity, but to offer a different view of modernity'

But this did not exhaust the *Marxism Today* position. Modernity – globalisation, the new individualism, post-Fordism et al – was not neutral, but could be inflected one way or the other, towards greater inequality, deregulation and increasing fragmentation, or towards greater equity, more social intervention and enhanced social solidarity. For Thatcher, there was only one response, that of the right. There was, indeed, no alternative while the left remained steadfastly in the past. But once it was prepared to shift with the times then the meaning of modernity could be shaped and contested – providing, of course, the latter was not seen as some neutral, non-ideological phenomenon. In this context, the idea that left and right are now obsolescent, superfluous or irrelevant is dangerously misconceived. Of course, left and right, as traditionally defined, do not, as we have said many times before, exhaust the political agenda or the repertoire of responses – but the difference between them still lies at the core of many of the most fundamental choices that confront society.

It is here that the Blair project becomes fuzzy and – in the view of many authors here including this one – seriously wanting. Blair for the most part has resisted the use of the term 'left', preferring to describe his position as 'radical centre': and he seems to believe that ideology belongs to the past. Having embraced modernity, he sees government as about professional management and problem-solving, rather in the manner of a modern corporate executive. But the task facing Blair was, and is, not simply to embrace modernity, but to offer a different view of modernity and how it should be addressed, one which marked a fundamental break with the neo-liberal era. For a quarter century, modernity has been characterised by a profound loss of social control consequent on the free-market regime of globalisation introduced from the late 70s, together with a huge increase in social inequality and a decline in the sense of the social. None of this was inevitable, a fact of nature. It was the deliberate creation of the Thatcher/Reagan era. Blair's central task was not to acquiesce in that condition, but seek to reverse it.

The argument here is not whether this government is better than the last: it is competent, it is compassionate, it is in a different league from those feeble Major administrations. And should we have any lingering doubts about this, the still-fresh memory of the recent Tory Party conference should immediately lay them to rest. The scale of this government's achievement in eighteen short months is impressive: Scottish and Welsh parliaments, welfare-to-work, the Irish peace agreement, the minimum wage, the adoption of the Social Chapter and much else besides. But the Government has claimed that it has a new and distinctive project, that it is creating a New Britain which marks a fundamental break with the past, not just with Labour's own history but with the Thatcher era itself. That 1997 was Year Zero. Somehow, with one bound, New Labour believed it had stepped beyond history and moved into a new zone, no longer bound by the old constraints.

This is a grand historical claim. The Big Picture is the crucial question here. During the weekend seminar in September, which acted as the testbed for this issue and which got widely reported in the press, Geoff Mulgan, former *Marxism Today* author and now advisor at Number 10, suggested that the question was no longer the Big Picture – that was sorted – but one of detailed policies. That is surely wrong: we need both. Wonkery without the Big Picture runs the risk of not seeing the wood for the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

trees. The central question at issue here is precisely that Big Picture: has Blair broken with the parameters of the neo-liberal era or is he still operating essentially on the same terrain? For this reason we start the issue with a section entitled the Big Picture.

For all the hyperbole, it is the continuities rather than the ruptures that characterise the Blair era: the refusal to raise income tax, the acceptance, for the first two years, of the Tories' spending plans, and, perhaps most starkly of all, an acquiescence in the idea that nothing can be done about globalisation: for Tony Blair it has the force of nature. This, indeed, was the conventional wisdom until a few weeks ago, but extraordinary events in the real world are now overturning once sacred beliefs. The crisis which started in East Asia – and which western commentators were smug enough to explain away in terms of 'crony capitalism', believing that it would have little effect on the global economy, let alone the west – is now reverberating round the globe.

History, remember, of course, ended once before – in 1989 to be precise. But the End of History lasted just nine years as the Great Neo-Liberal Experiment in Russia came crashing down in September, the casualty of the same kind of voluntaristic thinking that led to the ultimate failure of the Bolshevik experiment. Blair would have us believe that 1997 was the end of an era. Events suggest that 1998 is a far more likely date. For not only has the brief history of free-market Russia, 1992-1998, come to an abrupt end, but the regime of free-market globalisation is now also under immense pressure; not only from Russia and Malaysia but also from the likes of George Soros, Jeffrey Sachs and Paul Krugman, all of whom are proposing far more radical reforms than New Labour has dared utter.

New Labour did not herald the end of neo-liberalism; on the contrary, for the most part it acquiesced in its nostra because it believed – politically and intellectually – that nothing else was possible. Yet eighteen months later, we can now perceive the end of the neo-liberal era as the present global crisis demonstrates to one and all that markets are not self-equilibrating, that they can capsize economies, that they do, indeed, need controlling. To read leading American commentators, including former neo-liberal apologists, is a revelation: they are calling for the most radical reform of the global financial system and the establishment of new global institutions. Meanwhile, alas, New Labour is still singing from the old hymn sheet (see the Blair *Today* programme interview on p26), its proposals for reform amongst the most timid on the international scene.

New Labour did not usher in a new era but more properly belongs to the end of the previous one. Of course, in its glorious first year, when we were all so relieved to be rid of the Tories, when the energies of the people were released, when Blair was demonstrating his instinctive populist touch, when the economy was thriving, when the government faced no opposition, when it enjoyed more room to manoeuvre economically and politically than any government this century, we seemed to have entered a new era. But we were wrong.

New Labour likes to trumpet the idea that it is leading a new wave of change. It is certainly true that it has attracted a great deal of international attention and that it is part of a much wider phenomenon of centre-left governments. But the idea that, in the present climate, the Clinton-Blair axis is the way of the future seems most unlikely: Clinton has been humiliated and Blair is simply too conservative for the new anti-free market era that is now unfolding. The London/Washington version of the Third Way has conceded far too much ground to neo-liberalism. The Jospin and Schröder governments are both more radical – not least because of the presence of the Greens and a stronger left – while the recent election result in Sweden provides further evidence that there is a rising tide of support for a more radical left.

Although one cannot but be impressed by the sheer energy and élan of Tony Blair, there is, at the heart of New Labour, a profound pessimism. The fundamental architecture inherited from the neo-liberal era cannot be disturbed: globalisation cannot be controlled or tamed: growing inequality can only be at best mollified. We are, in short, at the mercy of nature and the market. Outside this discourse, the picture is different: the Irish agreement has shown just what this government is capable of. In contrast to the pessimism that imbues the central tenets of this government's strategy, this issue of *Marxism Today* strikes an optimistic note. While the verdict on the Blair project is negative (Eric Hobsbawm and Stuart Hall), there is a sense throughout the issue that the present global crisis offers the possibility of a sea-change in attitudes, that the laissez-faire mentality that has been hegemonic for the last quarter century is now under serious threat all around the globe, that it is possible to control what we have been told is uncontrollable.

'New Labour did not usher in a new era but more properly belongs to the end of the previous one'

No doubt there will be those who, while admitting that *Marxism Today* is persuasive about the Big Picture, will argue that we offer little else. Wrong. Read David Held and Gerald Holtham on globalisation. Read Will Hutton and Richard Wilkinson on inequality. Read Anthony Barnett on constitutional reform. They offer not just a critique of New Labour, not simply a different approach to that now being pursued, but also serious proposals as to what should be done. Welcome to the new Window of the Left. Of course, this is only a beginning, but it will not be sufficient to dismiss the arguments contained in this issue on the grounds that there is not enough wonkery and therefore no alternative. As the Blair government enters increasingly choppy waters, as the ideological climate internationally begins to change, so, one must hope, will New Labour. For we can now glimpse the end of the long era of neo-liberalism.●

Marxism Today

Utilising the wonders of modern telecommunications, this issue of *Marxism Today* is being complemented by a presence on the World Wide Web. In association with Online Magic, an AGENCY.COM company based in London, and their highly successful General Election '97 site, *Marxism Today* will be providing interaction and links related to this issue of the magazine.
The site address is

One element of this site will be a *Marxism Today* Debate Forum. Here you can discuss and debate the issues raised in the magazine with your fellow readers and some of the writers themselves. These threaded discussions on a variety of topics will be accessible and readable by people around the world.

There will be excerpts from some of the articles in this issue which will be supported by hyperlinks to relevant topics and subjects. It will be an interactive resource for all who have access to the Internet and want to carry on the issues raised here and learn more about them.

Online's magic GE97 site was a major success before and during the May 1997 election. It was cited by *Internet Magazine* as the Site of the Year and *New Media Age* magazine named it 'Best Use of the Web' in July 1997. On election night, 4m users from around the world visited the site for up-to-date results and opinions. Before the election, online chats were organised with Paddy Ashdown in his Westminster Office and a live video interview was done with then Shadow Cabinet member of IT, Jeff Hoon.

Today it serves as a time capsule for students and other members of the general public to follow the news, opinion and colour of the run up to the May 1997 General Election. It was produced by Online Magic, an AGENCY.COM company, and sponsored by Compuserve, Microsoft and Yahoo.

Alistair Jeffs
Creative Director

Online Magic, London N1
alistair@onlinemagic.com
Tel: 44 (0) 171 573 5930
Fax: 44 (0) 171 573 5959
Mob: 44 (0) 7050 203 007

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

New Labour has failed to develop a coherent project of its own, argue Eric Hobsbaw

The Death Of Neo-Liberalism

The global crisis heralds the end of free-market fundamentalism. But alas, argues , New Labour has failed to break with neo-liberalism

A funny thing happened on the way to the millennium: in 1998 Karl Marx came back. Ten years after it was assumed that he had been definitively interred under the rubble of the Berlin Wall, 10 years after the irreversible triumph of liberalism and the end of history had been proclaimed, here he is back in circulation on the 150th anniversary of the *Communist Manifesto* which, to everyone's surprise, including the ageing family of the old marxists, produced an enormous echo in the press, entirely unexpected even a few months earlier. And all except some rare old cold-war holdouts stressed one thing: what this man wrote 150 years ago about the nature and tendencies of global capitalism, rings amazingly true today! The triumphalism of 1989 has been replaced by nervous assurances that, whatever the arguments of *Das Kapital*[1], the system was, after all, basically sound.

Still people rediscover the downside of capitalism not by reading the *Manifesto* but by observing what it does in practice. That there was something wrong with the way the global economy worked in the 1990s first became obvious not to economists and politicians but to thinking capitalists like George Soros. I don't just mean that Soros announced many months ago (*Atlantic Magazine*, February 1997), to his credit as a person rather than as a businessman, that free market capitalism is the enemy of his guru Karl Popper's 'open society', along with nationalism, fundamentalism and the no longer operational communism. I mean that for some time now he has pointed out that the uncontrolled global financial system, which he had exploited as a highly successful speculator, was an invitation to disaster, and that the idea that it is beyond control cannot be accepted. Others have also come to the conclusion that the institutions which have attempted to regulate it, and notably the IMF, have been barking up the wrong tree. It is now evident that the critics are right.

The crisis which began in South-East and East Asia and is now, according to *The Economist*, turning into a global capitalist crisis has suddenly reminded us just how badly capitalism can go wrong. This should long have been evident from the former USSR, the only country in the world in which the theory that all an economy needs is the introduction of the free market, has been tested – as it turns out, to destruction. Still, nobody paid much attention to the unparalleled social and human tragedy of the peoples of the former USSR until the Asian crisis threatened to destabilise the global financial system via the financial collapse of Russia.

The Asian crisis also showed two other things. It has played hell with the reputation of bankers, economic advisers and gurus for understanding what is going on. The giant, and spectacularly misnamed, Long-Term Capital Management Fund, with the assistance of two Nobel-prize economists and an allegedly foolproof system, gambled away well over $100 billion until it had to be saved by, in effect, a rescue operation of the US Federal government. It was only months ago that Michel Camdessus of the IMF was referring to the financial turmoil in the East as 'a blessing in disguise' because it would move the Asian tiger economies towards more American-style free market capitalism. He does so no longer. No wonder 'the IMF's reputation' – this is *The Times* speaking – 'has sunk to its lowest since the body was set up ... in 1944' (August 19 1998). Under the impact of economic crisis not only governments but some of the most passionate champions of free market globalisation among economists, like Paul Krugman and Jagdish Bhagwati, are now envisaging heterodox economic policies like exchange control, amid weepings and gnashings of teeth from the City of London[2]. And it has demonstrated, in the case of Indonesia, that a major breakdown of capitalism can overthrow powerful political regimes.

The time has therefore come to rethink the assumptions on which the policies of too many governments, including our own New Labour government, have been based since about 1980 and the opinions of most economists even longer. These are basically the assumptions of laissez-faire, namely, of the superiority of the free market economy to any other[3]. Why this should have appealed to ideologically individualist governments committed to capitalism on principle is clear. Why governments like Tony Blair's could be described as Thatcherism in trousers needs more explanation. I suggest there are four reasons.

First, that by the end of the 1970s the classic policies of the 'Golden Age' mixed economy had ceased to work well, and those of state-planned socialism were hardly working at all. What is more, the vertiginous rise of a genuinely global transnational economy deprived social democracy of its major resource, namely the ability to control what happened to and within the borders of its national economies. This was clearly demonstrated by the failure of the Mitterrand government in France in 1980-82. Something had to be done. This is the justification of the project of *modernising* Labour. This is also the reason why no Labour Party which managed to get itself

'When I look at the Welfare State I don't see a pathway out of poverty, a route into wor

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

elected could be expected simply to reverse everything Thatcher had done: some of it, most people will now agree, needed doing.

Second, there is what might be called the consensus of the neo-classical academic economists who dream of a nirvana of an optimally efficient and frictionless economy of a self-adjusting global market, that is to say an economy with minimal interference by states or other institutions. Given the state of the world, this implied a systematic policy of privatising and deregulating the economy. Some of them, starting with Friedrich von Hayek and Milton Friedman, did so for ideological reasons, but mostly they did so, I guess, out of a taste for abstract technical elegance, combined with a total lack of sense for the real-life context of their propositions. Theirs is economics without political, social or any other non-mathematical dimension. In practice, of course, it is an economics which fitted the economy of transnational corporations and other operators in a period of boom. This consensus is now at an end.

Of course it was always unrealistic in two respects. One, pure laissez-faire, which rests on the doctrine of comparative advantage assumes the optimality of the present distribution of 'advantages'. But, as David Landes points out in his book *The Wealth And Poverty Of Nations*, 'today's comparative advantage may not be tomorrow's'[4]. Free market gurus told Germany in 1840 that optimality meant growing wheat and selling it to buy British manufactures. The Germans of the time listened to this advice no more than the Americans.

Two, it doesn't work. Businessmen try to avoid the economists' logic if they can, mainly by Marx's famous process of capital concentration. The ideal of British Airways or Microsoft is a monopoly or close oligopoly position in their respective world markets, and not free global competition. Politicians cannot avoid knowing that the economy must operate under irremovable as well as removable political constraints. For them there is no such thing as the laissez-faire theorists' 'natural rate of unemployment', that is to say a rate – *never mind how high* – at which wages will not produce inflationary pressure. There are only politically tolerable and intolerable rates. Economic theory is in favour of the free movement of all factors of production, including labour, but there is not a single government in the world – certainly no freely elected one – whatever their commitment to the free market, which permits unrestricted and uncontrolled immigration – and they know why. That is why, whatever the theory of globalisation says, there is relatively less international migration today than there was a century ago. Again, though every British government since Thatcher talks about the need for a flexible labour market and wages capable of keeping our enterprises competitive on the globe, no European government actually believes that cutting wages and conditions can make our labour costs competitive with, say, Indian or Chinese labour costs and none are even trying to make them so. Conversely, global laissez-faire doesn't just come into being by the process of evolution. It has to be introduced by acts of political power just like protectionism.

'Some of the most passionate champions of free market globalisation are now envisaging exchange control'

The third reason for Blair's attachment to the free market is what might be called the neo-liberal ideologists' equivalent to the old marxists' belief in historical inevitability: the global economy is here. It makes any attempt at a national economy or a national policy impossible and therefore pointless. Any views to the contrary are, in the words of an earlier Paul Krugman, 'based on the failure to understand even the simplest economic facts and concepts'[5]. It ain't so.

Fourth, because New Labour assumed that after Thatcher political majorities depended on getting the votes of the Thatcherite middle class. Hence it had to bind itself hand and foot for five years. This may or may not have been the reason why we won, but in the present turbulent state of the world economy it might be unwise to boast too much of rigid commitments till 2002, regardless of changing circumstances.

What the current economic orthodoxy gives governments today, is not a guide to policy but a marvellous bunch of excuses. They are being fully used in Downing Street. Here is what a very intelligent Italian journalist, recently arrived in Britain, writes about the present British government; whether with or without tongue in cheek, I leave you to judge. Britain, he thinks, unlike the European continent, is post-industrial. I quote:

'This is a generation which has virtually no memory of what Britain was like before Thatcher; which grew up in a new world where politics no longer handles the management of the economy and no longer has anything to say about the transformation of society – a world where politics has no other subject but itself.

'After the neo-liberal revolution the economy is by definition outside the range of politics. The less it meddles with it the better... Not only the economy understood as the way markets function, but even the macro-economy which, in the West, was for so long the sword-arm of politics, the battle-field of social democracy, the instrument for forging the destiny of a nation, for shaking the tree of society, for favouring some classes and punishing others... For the very idea that the state might set itself the task of redistributing wealth is from now on excluded from politics. Not only because politics no longer wants to, having rejected the idea that equality can be pur-

'I don't think the hold of neo-liberalism has been broken. You could set up tests to explore how far New Labour sees the shift in economic policy not just nationally but regionally and globally. You could test its contribution to reform of financial markets and rethinking ways of reframing markets. At all those levels not only has New Labour not contributed, they haven't even begun to ask the right questions. That is the extent to which they remain locked into the framework inherited from the late 1970s and 1980s. But the difficult question is: is there a plausible alternative economic framework which a crisis in neo-liberalism might shake out, or which begins to set the framework for thinking about new alternatives conceptually, institutionally and politically. The difficulty is that the state's jurisdiction is limited. These regional and global flows go way beyond it. There is a conceptual and political hole in which you not only have to rethink the nature of economic activity theoretically but also the institutions to govern it.'

David Held, Marxism Today Seminar, 4-6 September 1998

:eway to dignify retirement. I see a dead end for too many people.' (Dudley, 15.1.1998)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MARTIN ARGLES

No 1 There is a God, part 1

sued by means of government decree, but also because it can't. The economy of post-industrial societies is beyond our grasp, beyond management by any centre, even beyond the ability of classical statistics to measure...

'In such an economy politics has nothing to say, nothing to do, no power to exercise... All the government can do is to play with a modest fiscal surplus in such a way as not to disturb macro-economic stability, which is the indispensable condition of prosperity. It can shift it one way or the other, now to favour the middle strata, now to favour the poorer groups, cutting subsidies here, raising fiscal credits there, paying pensioners' heating bills or taking away a pound or two from single mothers. All this amounts to no more than petty social engineering which leaves the broad structures of society unchanged...

'Blair already operates in the realm of hyper-politics, where politics is exclusively concerned with itself. In this world politics is a daily struggle to win the attention of a public which has its mind on other matters... Hence the *software* of politics becomes decisive, its ability to adjust itself ... to the country's state of mind, to intercept and encourage its moods... This explains the enormous success in Britain of the 'spin-doctors'... who teach the politicians how to get at the heart of the people, since they can no longer get at its wallet. Politics has been reduced to the language of politics.'[6]

Of course some of the excuses offered by 'globalisation' are legitimate, at least in part, since there are some things that are actually beyond the power of any single government, to achieve at present. But 'we don't want to do this' should not be disguised as 'there is nothing we can do about it'. There is and it must be done. Faced with a Wall Street collapse economists discover the powers of state action[7]. Let there be an end to excuses, self-delusion or sales-talk about the impotence of government in economics.

The global economy is indeed here to stay. But three things about it must be said.

1 Its operation and its further progress are not identical with the policy of extreme laissez-faire. This does not achieve the worldwide optimal growth of goods and services and it certainly does not within any finite period of time produce the most efficient allocation of resources in the real world, as distinct from the the neo-classical theorists' never-never land. As is proved by what has happened to Russia since the free marketeers got hold of it. Indeed Russia has made it impossible to overlook the problem of what the Nobel laureate Douglass North calls 'transition economies'. If the real world were not what it is, 'then institutions would not matter, and overnight the policy-maker could impose efficient rules upon an economy and overnight alter its direction to a productive economy. Such ... are the implicit assumptions that underlay neo-classical reasoning and led to the policy conclusions associated with "privatisation" as the answer to the problems of transition economies.'[8] That applies to all economies. The real world is what it is. Even economists must take account of it.

'The global economy has not replaced the world of states, political power and policies. The two coexist in mutual negotiation'

2 The actors in the global market can no more function smoothly without non-market institutions than the national market. At the very least they require the equivalent of a system of law with sanctions to guarantee the performance of contracts and, more to the point, outside *regulation* – very notably of financial markets. The transnational economy is indeed trying to create such institutions, but in doing so it utilises – it *must* utilise – the only source of effective law and outside regulation there is, namely the political power of states or supranational institutions operated by or by permission of states, singly or collectively. In short: the global economy has not *replaced* the world of states, political power and policies. The two *coexist* in mutual negotiation.

3 The power of states over what happens on their territories may have decreased since, after two centuries of growth, it reached its peak after the second world war. Nevertheless their powers of control over the economy on their territory remain substantial, at least in the 23 large states which contain 70 per cent of the human race and the 10 states which contain three-quarters of the global GDP. In the short run the collective power of the political authorities representing the three major economic blocs – the USA, the European Union and Japan – remains decisive. This is because most of what happens in every national economy is not directly dependent on what happens in the global economy and transnational operators do not live in cyberspace, but also in the space of real states which control their material infrastructure and the places where they have their often very expensive installations of fixed capital. The attempt to give transnational corporations the unilateral right to sue governments for policies harmful to their profits (the so-called Multilateral Agreement on Investment or MAI) demonstrates how nervous the transnationals are of state power. Only in the era of free market triumphalism would an agreement which fundamentally transforms the balance between state and private enterprise have progressed with so little opposition from governments, or indeed in the virtual absence of public discussion. But for some last-minute resistance, the MAI would already have been signed by the governments of the OECD – and the fight against it is very far from won. This is a dangerous issue of international politics about which one might expect a British government – and the press – to show more concern than it has done.

'No one seriously makes the claims about state powerlessness that were fashionable in the early 1990s. The governments had lost all room for manoeuvre in the global markets. The era when that was a serious discussion has passed. There has been serious analysis of what is the real scope for states to achieve things. The mandate of Labour in this country, and social democratic parties elsewhere, has been precisely predicated on the promise to use state power to achieve things.'

Geoff Mulgan, Marxism Today Seminar, 4-6 September 1998

There is, however, one way in which the rise of the global economy modifies the priorities of a Labour government. The further economic growth of Britain depends only to a small extent on what governments do in Britain alone. Fortunately, whatever may be said for the world as a whole, Britain's problem – like that of the other rich and advanced economies of the world – is not economic growth as such. That has taken care of itself for 200 years, except for relatively brief periods during the cyclical depressions which are the basic pulse-beat of the capitalist economy. Since 1945, incidentally, western Europe has lived through its best ever period of growth. Hence achieving *maximum* growth is not vital for Britain, as it may or may not be for, say, China or India.

Moreover Britain today, like the other core regions of the European Union, belongs to the richest and most prosperous part of the world. Our GDP per capita may

'So I can say today for the long-term unemployed turning down all choices and staying c

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

now be below 10 of the 15 states of the EU, but nevertheless we unquestionably belong, and will continue for the foreseeable future to belong, to the fortunate minority of countries whose inhabitants no longer have to worry about getting their daily bread, but – insofar as they need to eat bread at all – about whether they want their lunchtime sandwiches on French rolls, focaccia or pumpernickel and whether they want cooked or smoked ham on it, and with plain or sun-dried tomatoes. As Marks & Spencer have discovered, we live in Marie Antoinette's world where most people can eat cake instead of bread, since only about 10 per cent of our income is spent on food instead of 80-90 per cent (as in Marie Antoinette's day), or even 30 or so per cent as before the 1960s. The worst that is likely to happen *economically* to the British peoples is insignificant by the standards of what can happen, and is happening, to three-quarters of the human race. This is also due partly to the fact that we belong to the region of strong and effective welfare states, ie of states fundamentally concerned with matters of welfare and social redistribution. (This is probably the most lasting heritage of the organised labour movements of which Europe was the original home.)

Let's not use the rhetoric of extremes. The worst economic scenario is not 'catastrophe', and the best is not paradise. It is to go on doing as well as we have been doing in absolute terms for the past 40 years. It is in the social, cultural and – possibly – political field that there is scope for *radical* deterioration. But this is not my subject here.

Our basic problem therefore is twofold. It is how to control and regulate the operations of a capitalist market economy which, by its nature, tends towards what the American journalist William Pfaff calls 'nihilo-capitalism'. This can't be done by Britain single-handed, but for the first time in many years there is a possibility of co-ordinated action by several governments. The world crisis has once again put this question on the global agenda. It also happens to coincide with one of the rare moments in twentieth century history – the first since 1947 – when most countries of what has become the European Union are under governments of the centre-left, elected by voters sceptical of free market fundamentalism. Whether this is a cause for optimism remains to be seen.

The other problem is how to distribute the enormous wealth generated and accumulated by our society properly to its inhabitants. This the market visibly does not do either. But doing something about the growing inequality and social maldistribution is in the power of nation-states because, give or take a few percentage points which are under the control of the EU, the nation-state remains the *only* device available for distributing GNPs by other than profit criteria. It still remains the essential tool. So it is time for the Labour government to remember that its major objective is not national wealth but welfare and social fairness.

There is, of course, both an economic and a social, as well as the convincing moral, case for diminishing our strikingly increased inequality. A relatively even distribution of incomes has been, historically, good for economic growth. Incidentally, OECD growth in the period of ultra-liberalism has been slower than in the Keynesian Golden Age[9]. And, as Richard Wilkinson and others have demonstrated, the greater the social as well as economic equality, the better a region's health, mortality, crime rates and 'civic community', hence – for those who need such arguments – the lower the financial cost to society.

How much we can afford to distribute or redistribute cannot be measured in absolute figures, or in terms of existing public expenditure, but only as a percentage of the total national wealth, whatever that is used for. Almost all the political argument in this field is about what government wants to pay, not whether it will take a larger/smaller share of the national product. Thus by GDP criteria Britain's expenditure on the National Health Service has risen over the past 30 years, as in all states, but it has remained lower than in all other developed states and has risen less. As our GDP rises faster than population, more becomes available to spend per capita. This may be so even if a regime wants to lower the percentage of the product that government takes as revenue, as the Tories did.

The real problem before us in the pioneer countries of industrialisation is how to distribute the enormous and growing wealth of their GNPs among a population which can no longer rely on the major mechanism for giving people a share of the GDP, namely the labour market, and under circumstances when the main mechanism for supplementing its deficiencies, namely income transfer through a welfare system, is not working satisfactorily. I repeat that this is not because we can't afford it.

I shall say nothing about the welfare system, except that I agree with Frank Field on three crucial points: *one* that it must be universal, *two* that we must break with a system that generates welfare dependency among people of working age, and *three* that it can no longer be – perhaps that it should not ever have been – purely a system of state transfers.

On the other hand both the exclusively state-oriented policy of the Beveridge system of social security and the substantial rise in the black or grey economy, which the Thatcherite policy of fostering self-employment encouraged, has made this harder to achieve. It would have been a lot easier to solve the problem of adequate pensions for poorer working people with a lifetime of miscellaneous and changing jobs if trade unions and mutual aid societies had not been pushed entirely out of the system by the state. I also agree with him that welfare reform requires a lot more money, but, as I have suggested above, the argument that Britain can't afford it, is moonshine.

As for the labour market, it has changed in three ways. First, it is now possible to produce the GDP with far smaller labour inputs than ever before, and in very different ways. This doesn't of course affect the total GDP of the country, but it makes non-market ways of distributing it more important. It does not necessarily mean permanent mass unemployment, or a permanent rise in the non-earning population, although it is difficult to generalise, because of the changing age- and gender-balance of labour forces in various parts of the world. This affects the whole globe. However, the pioneer countries of industrialism have a special problem, because the basic manufacturing and service industries which used to provide most family incomes through a main earner's wage or salary, have emigrated or been transformed, leaving behind them no jobs at equivalent levels. Since Mrs Thatcher's massacre of British manufacturing industry in the 1980s this is a particularly acute problem in this country, and I am sorry to see that New Labour seems to have little more sense than the Tories of the importance of manufacturing – not so much as an economic contributor to the

SEAN SMITH

No2 There is a God, part 2

'As Marks & Spencer have discovered, we live in Marie Antoinette's world where most people can eat cake instead of bread'

t – doing nothing will not be an option.' (Nexus Conference, 1.3.1997)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

GDP than as a stabiliser of society. It is basically the predicament so perceptively presented in the film *The Full Monty*.

In any case, people in the rich countries such as ours have got used to a standard of living which cannot be drastically reduced. How to maintain it in the face of the pressure of capitalism to the contrary, is the major problem of government, and now that the neo-liberal balloon is visibly deflating, it should be clear that it can't be done by hoping that the market will find equivalent jobs, or by offering to retrain shipyard riveters as computer programmers. Why should not government once again regard it as legitimate to provide employment? And not least for the very large number of people the public sector employs, and could employ, once the irrational prejudice against public enterprise inherited from the 1980s is abandoned. (Ironically, the biggest commercially active public enterprise today – one of the 30 largest businesses in the world – is actually from the citadel of private enterprise: the US postal service.)

'We need a major crisis to break out of neo-liberalism. And that will only happen if the present disturbances prove to be as bad as people are afraid they might be. If there is a shallow recession there will be a shallow dip in the self-confidence of the neo-liberal orthodoxy. Having said that, if there isn't a severe crisis this time there might be one in the future. By abolishing all credit controls and all exchange controls we have recreated the conditions of the nineteenth century trade cycle.'

Gerry Holtham, Marxism Today Seminar, 4-6 September 1998

The second change in the labour market is the segmentation of uniform markets. Labour markets for different occupations, levels of skill or income become virtually incommensurable. In every field and at all levels, the extremes grow: the winners-take-all and the also-rans. This is true within what remains of the old working class, but even more so if we take the occupied population as a whole.

What is happening today – and in the absence of unions and government action, without any countervailing forces – is what we see in the world cities like London and New York which are the hubs of the global economy: a polarisation between a concentration of high-income-generating jobs in high-profit-making firms (finance, media) and a low-wage, casual, service population – between the city dealers and the office cleaners and security staff, catering workers etc. Let us leave aside the socially obscene extremes of seven-figure salaries which corporation executives vote each other, insisting that they express their market scarcity, and the stratospheric rewards for the top showbiz handful – rock stars, football stars, premier league clubs etc compared to the rest. (Actually it has produced a crazy situation where wealthy *individuals* – not corporations – have more money to spend on politics than national parties, or even poorer states.) The major tendency in the developed countries is to produce a division between the highly qualified or specialised and the low-skilled. The consumer economy is equally polarising: stratospherically priced *Vogue* fashion confronts Oxfam shop second-hand clothes. The middle ground is being squeezed – whether in the form of middle incomes or modestly profitable, but otherwise entirely viable, firms.

The third change in the labour market is that it is shrinking, thanks to the expansion of the informal or grey or black economy, which is fairly universal – but, obviously, much more rapid in states with neo-liberal policies, such as Mrs Thatcher's which discouraged regular employment. It would take too long to go into the implications of this development. I've already mentioned it in connection with the pensions problem. For one thing, it tends to shift the target of taxation from income (which is hard to touch in this area) to expenditure.

Both the social and the economic consequences of these changes are dangerous. They engender (I quote) 'massive distortions in the operations of various markets, from investment to housing and labour'[10]. In fact, if the market is to work adequately, its systematic tendency to generate acute inequality and maldistribution needs to be regulated and controlled – and by who else except public authority?

'If the market is to work adequately, its systematic tendency to generate acute inequality needs to be regulated'

This brings me to the big question. Ideologically the Blair government is today distinctly to the right of the other centre-left governments in the West – certainly of Clinton, Jospin, Prodi, probably of the new German government. How far is it prepared to recognise that the economic theory, or the excuses, it inherited from its predecessor, are going down the tubes? How far will it abandon a policy which was, essentially, based on the neo-liberal economists' consensus? Will New Labour in retrospect be judged to have failed for the same reasons that Very Old Labour failed in 1929-31, namely a refusal to break with current economic orthodoxy? At that time the rethinking came from the Liberals (Keynes was, you remember, a member of the Liberal Party). Will it again come from that quarter? How far will it recognise that there is not only a social, but an economic case, for returning to social-democratic policies? These are questions only Downing Street can answer. And 'standing still and emoting fuzzily' about Third Ways[11] is not enough.

Three things may be said in conclusion. The first was well known to Keynes who knew about the world of business. Let there be an end to the assumption that government must give businessmen everything they *say* is indispensable to keep them happy. True, an economy is in trouble if the flow of profit runs dry, which fuels the private sector engine, that produces most of its goods and services. But we are not obliged to believe them if, having got used to extortionate salaries and profits, they claim that anything less will bring the economy to a grinding halt. Neither the British motor trade nor British supermarkets will go out of business if their mark-ups are reduced to the lower level of American and continental supermarkets or motor dealers.

Second, as the most recent elections won by the left have shown – notably in Sweden and Germany – voters are readier for positive government action than economic advisers. This may be so even in Britain. Whether or not government should renationalise the railways, if they did, it is a safe bet that at present it would lose no votes.

Third, and most important. However powerful the argument 'this will not get us elected' was before May 1997, it must not be confused with the proposition: 'Our top priority is to get *re-elected*'. Carrying out its programme is a justification of reforming governments; getting re-elected isn't – still less 'becoming the permanent party of government'. (Actually, as we all know, a permanent political monopoly has not proved to be such a smart idea, either in undemocratic countries or in democratic ones.) Like President Clinton, New Labour will be judged, both by history and by the people, by other criteria than its success in winning re-election. In any case, if there is any way of losing the next election, it is by not recognising that the age of neo-liberalism is over ●

1 'Das Kapital Revisited' (*Financial Times* September 31 1998); Paul Blustein, 'Financial Crises May Stall Capitalism's Global March' (*International Herald Tribune* September 7 1998); 'Hold The Obituary; Capitalism Is Alive And Well' (*International Herald Tribune* September 18 1998)

2 'Why hasn't China been nearly as badly hit as its neighbours? Because it has been able to cut, not raise, interest rates in this crisis, despite maintaining a fixed exchange rate; and the reason it is able to do that is that it has an inconvertible currency aka exchange controls.' Paul Krugman, 'A Desperate Remedy' (*Fortune* September 7 1998, p32)

3 'The Washington consensus held that good economic performance required liberalised trade, macro-economic stability, and getting prices right. Once the government dealt with these issues – essentially, once the government "got out of the way" – private markets would allocate resources efficiently and generate robust growth.' Joseph E Stiglitz, *More Instruments And Broader Goals: Moving Toward The Post-Washington Consensus* (WIDER, Helsinki January 1998)

4 David Landes, *The Wealth And Poverty Of Nations: Why Some Are So Rich And Some So Poor* (New York-London 1998) p485

5 Paul Krugmann, *Pop Internationalism* (MIT Press, Cambridge 1996) p70

6 Antonio Polito, *Cool Britannia: Gli Inglesi (E Gli Italiani) Visti Da Londra* (Donzelli, Rome 1998) pp17-23

7 'New Thinking Can Prevent A Great Depression' (*International Herald Tribune* September 1 98, p8)

8 Douglass C North, *The Contribution Of The New Institutional Economics To An Understanding Of The Transition Problem* (WIDER,Helsinki March 1997) p16

9 OECD Output (annual average percentage change):
1960-74 4.9
1970-90 3.2
1980-90 3.0
1990-97 2.15
(Robert Brenner, 'The Economics Of Global Turbulence' *New Left Review* 229/1998, p262)

10 Saskia Sassen, *Globalisation And Its Discontents* (New York, New Press 1998) p138

11 Tony Judt, 'The Third Way To What? We Need Some Direction' (*International Herald Tribune* 29 September 1998, p11)

© E T Hobsbawm

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Great Moving Nowhere Show

Tony Blair has talked much about 'the project'. But what precisely is it? Stripped of the hyperbole, the continuities with Thatcherism are all too obvious. examines a great missed opportunity

What is the political character of the Blair regime? Is New Labour a radically new response to the core political issues of our time? Is its perspective as broad in sweep, modern in outlook and coherent as Thatcherism's neo-liberal project, only different – because it is breaking decisively with the legacy and logic of the Thatcher years? Or is it a series of pragmatic adjustments and adaptive moves to essentially Thatcherite terrain? Since taking office, New Labour has certainly been hyperactive, setting policy reviews in place here, legislating and innovating there. A careful audit of the achievements and failures of these early years remains to be made. But that is for a different occasion. Here, we want to stay with 'the big picture'. Where is New Labour really going? Does Mr Blair have a political project?

Thatcherism, from which Mr Blair has learned so much, certainly did have a project. Its aim was to transform the political landscape, irrevocably: to make us think in and speak its language as if there were no other. It had a strategy – an idea of where it wanted to get to and how to get there. Mrs Thatcher had no fondness for intellectuals: the word 'ideas' did not trip lightly off her tongue. Nevertheless, everything she did was animated by a social 'philosophy'. From a reductive reading of Adam Smith, she learned to see individuals as exclusively economic agents. From Hayek, she learned that the social good is impossible to define and that to try to harness markets to social objectives led down a one-way slippery slope to the nanny state, misguided social engineering, welfare dependence and moral degeneration – 'There is No Such Thing As Society'. From the Monetarists she learned market fundamentalism: markets are 'good' and work mysteriously to the benefit of all; they are self-instituting and self-regulating entities; market rationality is the only valid mode of social calculation, 'market forces must prevail!'

What is more, she armed herself with a decisive analysis of the points of historical change which had created the opening to Thatcherism. But she did not, like some versions of the 'Third Way', simply project the sociological trends on to the political screen. She never supposed Thatcherite subjects were already out there, fully formed, requiring only to be focus-grouped into position. Instead, she set out to produce new political subjects – Entrepreneurial Man – out of the mix of altruism and competitiveness of which ordinary mortals are composed. Above all she knew that, to achieve radical change, politics must be conducted like a war of position between adversaries. She clearly identified her enemies, remorselessly dividing the political field: Wets v Drys, Us v Them, those who are 'with us' v 'the enemy within'.

When *Marxism Today* first began to discuss Thatcherism as a 'project', smart-arsed journalists and Labour analysts joined forces to pour scorn on the idea – a thought altogether too concerted and 'continental' for the empiricist temper of British political culture. Geoff Mulgan – Director of Demos, former *MT* contributor and now in the Number 10 Policy Unit – advances a similar view elsewhere in this issue. 'Meta-political' questions, he says, are irrelevant – a sign that the left intellectuals who ask them are hopelessly isolated from the 'real' business of government. They would be better employed, like Demos, thinking up concrete proposals which New Labour could put into effect.

Guilty British academics on the left are particularly vulnerable to this kind of gross anti-intellectualism. However, Mulgan's position seems disingenuous. Of course, policy innovation is essential to any political strategy – that is why Martin Jacques dreamed up the idea of Demos in the first place. There is lots of room for lateral thinking. But – Mr Blair's Rendezvous With Destiny notwithstanding – May 1997 was not the start of 'Year Zero'. All questions of perspective and strategy have not been 'solved'. As Decca Aitkenhead put it recently, the Blairites sometimes behave as if 'Number 10 is sorted for nuts and bolts; it's just not sure what sort of machine they add up to'. In fact, it's impossible to know how radical and innovative a concrete proposal is until you know which strategy it is attempting to put in place and the criteria against which its 'radicalism' is being assessed. Without a strategic framework, the 'concrete proposals' could be brilliant; or they could just be off-the-wall – completely batty. In recent months, Demos has offered us plenty of both kinds.

In fact, seen in the context of New Labour's sustained hype and vaunting ambition over the past 18 months, Mulgan's idea that nothing requires serious attention apart from pragmatic effectiveness is not only wrong but curiously 'off-message' and wholly out of synch with His Master's Voice. It was clear from the outset that Mr Blair saw himself in the Thatcherite mould and he has worked hard to model himself on her style of leadership. And with some success! Recent polls suggest the electorate is impressed with 'what they regard as the strong Thatcherite style', though they also seem unsure whether this is more than 'better gloss, more PR and spin' and, more worryingly, they doubt that New Labour 'will make a real difference and force a clean policy break with the Tory years' (*The Guardian*, September 28 1998).

Mr Blair has also modelled his ambitions to make everything in Britain 'New' on Thatcherism's project of national self-renewal. Consequently, these days, no New Labour spokesperson opens his/her mouth, nor journalist reports the event, without reference to 'the Blair project'. It is New Labour, not the intellectuals, who put this 'meta-political' question on the agenda. It is Blair who talks of New Labour in apocalyptic terms – 'one of the great, radical, reforming governments of our history', 'to be nothing less than the model twenty-first century nation, a beacon to the world", 'becoming the natural party of government'. ('Natural parties of government' are those whose ideas lead on all fronts, carrying authority in every domain of life; whose philosophy of change has become the common sense of the age. In the old days we used to call them 'hegemonic'.) Mr Blair is definitely into 'the vision thing'.

New Labour's latest bid to give 'this vision thing' historic credibility and so to capture and define 'the big picture' is the 'Third Way'. This comes in several shapes and sizes. There is the intellectual's version of the 'Third Way' offered by Anthony Giddens, Mr Blair's most influential intellectual, which sketches out a number of significantly novel sociological shifts which seem to have major political consequences. Many of these one would be happy to agree with or to debate further. After all, economic globalisation is a reality and has transformed the space of operations and the 'reach' of nation states and national economies. There is a new individualism abroad, due to the growing social complexity and diversity of modern life, which has undermined much of the old collectivism and the political programmes it underpinned. Many problems do present new challenges or assume new forms not well covered by the old political ideologies. We do need to broker a new relationship between markets and the public good, the individual and the community. These sociological shifts are part of the great

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CHRIS RIDDELL

historical rupture – the onset of late-late-modernity – which Thatcherism first mastered politically but certainly did not originate or set in motion. This is where *Marxism Today*'s 'New Times' analysis and its call for the reinvention of the left began, all those years ago. So much is indeed shared territory.

But when we move from the intellectual to New Labour's more political and strategic version of the 'Third Way', we are less on the terrain of political strategy and more, as Francis Wheen recently observed, in some 'vacant space between the Fourth Dimension and the Second Coming'. The 'Third Way' has been hyped as 'a new kind of politics'. Its central claim is the discovery of a mysterious middle course on every question between all the existing extremes. However, the closer one examines this via media, the more it looks, not like a way through the problems, but a soft-headed way around them. It speaks with forked, or at the very least garbled, tongue. It is advanced as a New International Model to which centre-left governments around the world are even now rallying. However, when it is not rapturously received, it suddenly becomes, not 'a Model', just a 'work in progress'. Can it be both heroic and tentative? It cannot make up its mind whether its aim is to capture 'the radical centre' or to modernise 'the centre-left' (and should not therefore be surprised to find young voters placing its repositioning as clearly 'centre-right'!). It claims to draw from the repertoires of both the New Right and Social Democracy – but also to have transcended them – to be 'beyond Right and Left'. These shifting formulations are not quite what one would call a project with a clear political profile.

'The Third Way speaks as if there are no longer any conflicting interests which cannot be reconciled'

In so far as one can make out what it is claiming, does it offer a correct strategic perspective? The fact – of which the 'Third Way' makes a great deal – that many of the traditional solutions of the left seem historically exhausted, that its programme needed to be radically overhauled and that there are new problems which outrun its analytic framework, does not mean that its principles have nothing to offer to the task of political renewal on the left. Welfare reform is only one of many areas where there is a continuing debate between two clearly competing models, drawing on if not identical with, the two great traditions that have governed political life: the left-of-centre version, looking for new forms in which to promote social solidarity, interdependence and collective social provision against market inequality and instability; and the neo-liberal, promoting low taxes, a competitive view of human nature, market provision and individualism. Can the 'tough decisions' on welfare which New Labour have been 'taking' for 18 months really be 'beyond Left and Right'? Or is that a smoke-screen thrown up to evade the really hard questions of political principle which remain deeply unresolved.

One of the core reasons for the 'Third Way's semantic inexactitude – measured by the promiscuous proliferation of such troubling adverbs as 'between', 'above' and 'beyond' – is its efforts to be all-inclusive. It has no enemies. Everyone can belong. The 'Third Way' speaks as if there are no longer any conflicting interests which cannot be reconciled. It therefore envisages a 'politics without adversaries'. This suggests that, by some miracle of transcendence, the interests represented by, say, the ban on tobacco advertising and 'Formula One', the private car lobby and John Prescott's White Paper, an ethical foreign policy and the sale of arms to Indonesia, media diversity and the concentrated drive-to-global-power of Rupert Murdoch's media empire have been effortlessly 'harmonised' on a Higher Plane, above politics. Whereas, it needs to be clearly said that a project to transform and modernise society in a radical direction, which does not disturb any existing interests and has no enemies, is not a serious political enterprise.

The 'Third Way' is hot on the responsibilities of individuals, but those of business are passed over with a slippery evasiveness. 'Companies,' Tony Blair argues in his Fabian pamphlet *The Third Way*, 'will devise ways to share with their staff the wealth their know-how creates.' Will they? The 'Third Way' does observe accelerating social inequality but refuses to acknowledge that there might be structural interests preventing our achieving a more equitable distribution of wealth and life-chances. As Ross McKibbin recently remarked, although most people 'do believe that society should be based on some notion of fairness', they also believe 'that the rich and powerful can only be made to acknowledge this by political action'. The 'Third Way's discourse, however, is disconcertingly devoid of any sustained reference to power.

Mr Blair is constantly directing us, instead, to 'values'. But when one asks, 'which values?' a rousing but platitudinous vagueness descends. He can be very eloquent about community, an inclusive society, with the strong supporting the weak, and the value of facing challenges together. The problem arises when this communitarian side of the Blair philosophy meets head-on the equally-authentic, rock-like, modernising, targeting, moralising streak in 'Blairism'. In practice it is difficult fervently to believe in 'the politics of community' and at the same time to hold unshakably to the view that the task of government is 'to help individuals to help themselves', especially when the ways of implementing each so often point in diametrically opposed directions. Besides, as a timely *Guardian* editorial observed: 'What distinguishes governments of the centre-left is not their values ... but their perennial dissatisfaction with what markets – necessary as they are – produce.'

It therefore seems most unlikely that the shifting indecisions and ambiguous formulations of the 'Third Way' offer us clear guidelines for assessing the underlying thrust of the Blair political project. For an answer to our original question, we will need to look at the Blair performance overall, sifting the strong tendencies from the ebb and flow of everyday governance,

'The reason we have been out of power for fifteen years is simple – that society changed

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

trying to disinter from its practice its underlying political logic, philosophy and strategic direction.

In the global context, New Labour has brought a sweeping interpretation of globalisation, which it regards as the single most important factor which has transformed our world, setting an impassable threshold between New Labour and Old, now and everything that went before. This is crucial because, in our view, it is its commitment to a certain definition of globalisation which provides the outer horizon as well as the dubious legitimacy to Mr Blair's whole political project.

New Labour understands globalisation in very simplistic terms – as a single, uncontradictory, uni-directional phenomenon, exhibiting the same features and producing the same inevitable outcomes everywhere. Despite Giddens's strictures, New Labour does deal with globalisation as if it is a self-regulating and implacable Force of Nature. It treats the global economy as being, in effect, like the weather. In his speech to the Labour Party conference, Mr Blair portrayed the global economy as moving so fast, its financial flows so gigantic and so speedy, the pace at which it has plunged a third of the world economy into crisis so rapid, that its operations are now effectively beyond the control of nation states and probably of regional and international agencies as well. He calls this, with a weary finality, 'the way of the world'. His response is to 'manage change'. But it seems that what he really means is that we must 'manage ourselves to adapt to changes which we cannot otherwise control' – a similar sounding but substantively very different kettle of fish.

This accounts for the passivity of the Blair government, despite its pivotal role in Europe and leading position in the G7 etc, in the face of the current crisis in Asia, Russia and elsewhere. It continued until very late to reiterate the false reassurances that the Asian crisis would have little noticeable effect on Britain. It has shown a surprising lack of flexibility in the face of mounting evidence to the contrary. It seems content to reiterate the mantra: 'The goal of economic stability and stable inflation will never be abandoned or modified. New Labour is not for turning,' which sounds increasingly like a desperate struggle to win, not the present, but the last war.

It has signally failed to seize the advantage of the rapidly changing terms of macro-economic debate to offer early, effective or radical leadership to the international community, as one country after another deserts the neo-liberal ship and moves towards thinking the unthinkable – that the unregulated movement of currency and capital, aided and abetted by deterrestrialised corporate power and new technology, will, if left to the 'hidden hand' of macro-economic forces alone, bring the whole edifice crashing to the ground. His belated proposals for the reform of the IMF are far from radical. Paradoxically, it is the high priests of global neo-liberalism – Jeffrey Sachs, Paul Krugman and George Soros – not Blair and Brown, who have led the retreat towards regulation.

New Labour appears to have been seduced by the neo-liberal gospel that 'the global market' is an automatic and self-instituting principle, requiring no particular social, cultural, political or institutional framework. It can be 'applied' under any conditions, anywhere. New Labour therefore seems as bewildered as every neo-liberal hot-gospeller that Japanese bankers just don't actually behave like Wall Street bankers, and that if you dump 'the market' into a state-socialist society like Russia without transforming its political institutions or its culture – a much slower and more complex operation – it is likely to produce, not Adam Smith's natural barterers and truckers, but a capitalist mafia. As Andrew Marr shrewdly observed, 'It's the politics, stupid!'

'New Labour deals with globalisation as if it is a self-regulating, implacable Force of Nature, like the weather'

Since globalisation is a fact of life to which There Is No Alternative, and national governments cannot hope to regulate or impose any order on its processes or effects, New Labour has accordingly largely withdrawn from the active management of the economy ('In the long run, Keynes is dead!'). What it has done, instead, is to set about vigorously adapting society to the global economy's needs, tutoring its citizens to be self-sufficient and self-reliant in order to compete more successfully in the global marketplace. The framing strategy of New Labour's economic repertoire remains essentially the neo-liberal one: the deregulation of markets, the wholesale refashioning of the public sector by the New Managerialism, the continued privatisation of public assets, low taxation, breaking the 'inhibitions' to market flexibility, institutionalising the culture of private provision and personal risk, and privileging in its moral discourse the values of self-sufficiency, competitiveness and entrepreneurial dynamism.

Economic Man or as s/he came to be called, The Enterprising Subject and the Sovereign Consumer, have supplanted the idea of the citizen and the public sphere. As the government's *Annual Report* boldly reminded us: 'People are not only citizens, they are also customers'. The most significant breaches in this neo-liberal edifice were the statutory minimum wage and the Working Time directive – commitments New Labour would have been too abject to abandon. It has, however, set the minimum wage at the lowest politically-negotiable level, excluding the sector most at risk to structural unemployment – young people between 18 and 21.

Giving the Bank of England its independence may have been a good idea. But only a touching faith in economic automatism can explain why this meant restricting its brief, effectively, to one dimension of economic policy only – inflation – with, in effect, only one tool of economic management – interest rates. It suggests that Labour has been quietly seduced by the neo-liberal view that, as far as possible, the economy must be treated like a machine, obeying economic 'laws' without human intervention. In practice, what is gained in credibility by being able to say – 'The Government is not involved! Rising interest rates, an over-valued currency, falling order books and rising regional unemployment have nothing to do with us. They are unfortunate 'facts of life' which folks must simply put up with. You can't buck global trends!' – is lost in terms of strategic control. Whether New Labour acknowledges

refused to change with it.' (New Statesman, 15.7.1994)

'We are not spending our time saying this is a terrible government. It is a much better government than the one before. It is a government that has done a fairly substantial amount of things and we shall all go on voting for it supposing there is an election tomorrow. What we are trying to find out is what it is trying to do in line with the old traditions of the Left.

First, I don't think this government is a single bloc. There are different languages coming out. If you listen to Blair or Brown or Mandelson or Field, you hear different views.

Second I think it is simply not so that New Labour carries on with the traditional centre-left. Geoff Mulgan is quite wrong about the great wave of centre-left governments being the same sort of thing and happening in the same sort of way. There is a basic difference. The Blair idea, and I am talking about Blair not other people, is of a centre-left which is between the Democratic Party in the US and New Labour. He believes that is the model for the centre-left. But the alternative is New Labour or the traditional European centre-left, marxist, social-democratic and social-christian. And there is a great difference between the two. The American tradition is fundamentally not that of the European social state. It may be that as between Republicans and Democrats, the Democrats are, in terms of class composition and topographical position, the Left. But they are not the same as the European tradition. If you look at the reaction, for instance, from Blair and others to the election of the Left in France, and Clinton in the US, it is very different. Whatever it is, New Labour is not a centre-left government in any traditional sense in which we in Europe perceive it and that includes not only socialists but demo-christians, the whole of the social state which is the central tradition of the 19th and 20th centuries on the continent'

Eric Hobsbawm, Marxism Today Seminar, 4-6 September 1998

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

this or not, its effect is automatically to prioritise meeting inflation targets over everything else. The irony is that it is precisely the whole structure of neo-liberal, scientistic jiggery-pokery which is rapidly falling apart. Economies are not machines. Changes in one sector have knock-on consequences elsewhere. The hedge-funds equations which have kept the inflated bubble of futures, options and derivatives markets afloat are liquefying. The infamous monetarist so-called 'natural rate of unemployment', which enabled banks and governments to calculate the necessary unemployment 'costs' for a given level of inflation, has fallen into disrepute. The Bank of England itself says that 'it cannot be directly measured and changes over time'. The Federal Reserve long ago sacrificed it on the altar of jobs and growth.

On the domestic front, the policy repertoire seems at first sight more diverse, but has tended to follow the same tendential groove. The main emphasis has been thrown on to the supply side of the equation. There have been many commendable social-democratic interventions. But its key watchwords – 'Education and Training, Training and Education' – are driven, in the last analysis, less by the commitment to opportunities for all in a more egalitarian society, and more in terms of supplying flexibility to the labour market and re-educating people to 'get on their bikes' when their jobs disappear as a result of some unpredictable glitch in the global market. New Labour does not and cannot have much of an industrial economic policy. But it can and does expend enormous moral energy seeking to change 'the culture' and produce new kinds of subjects, kitted out and defended against the cold winds that blow in from the global marketplace.

To this source also we must trace the remoralisation of the work ethic, and the restoration of that discredited and obscene Victorian utilitarian distinction between 'the deserving' and 'the undeserving' poor. The New Deal subsidises training and Mr Blunkett attacks class sizes and expands nursery places for lone parents willing to seek employment – very commendable, and about time too. New Labour will not, however, intervene to ensure that there are jobs, though its entire welfare reforms are riveted to work and paid employment. Since it must depend on the private sector to provide them, it can only morally exhort. Hence the paradox of Jack Straw holding parents exclusively responsible for their childrens' misdemeanours while Welfare-to-Work insists that anyone who can move and wants to draw a benefit must leave their children, get up off their sick beds, overcome their disability, come back out of retirement and work. Not since the workhouse has labour been so fervently and single-mindedly valorised.

Social inequality, broadly defined, is one of the critical defining issues of national politics and a crucial test of the distinction between the Blair project and market fundamentalism. According to Giddens, in his book *The Third Way*: 'The gap between the highest paid and the lowest paid workers is greater than it has been for the last 50 years' and while 'the majority of workers are better off in real terms than 20 years ago, the the poorest 10 per cent have seen their real incomes decline.' This is no aberration. It follows a period of the most intense 'marketisation'. It is what markets do – the kind of Will Hutton, 40/30/30 society which markets 'naturally' produce when left to themselves. What's more, the nature of poverty has changed, becoming more diverse, while its causes have multiplied. The term 'social exclusion' draws attention to these differences, and underlines the fact that income and economic factors are by no means the only reason different groups find themselves excluded from the mainstream of society. There is, however, considerable evasiveness, both in Giddens's argument and in New Labour's appropriation of it, around the question of how important the income/economic factor in 'social exclusion' is and what to do about it. Giddens' sbald statement that 'exclusion is not about gradations of inequality' looks like a sentence in search of a 'not only' that went missing.

'Blair's image of the citizen is of the lonely individual, "set free" of the state to face the hazards of the global weather alone'

These issues are at the heart of New Labour's profound ambiguity and duplicity around welfare reform. After months of a Great Debate, and a disastrous and aborted effort to begin to put 'it' into effect, we are still really none the wiser about what Mr Blair really thinks or proposes to do about welfare. We do not know whether he proposes to transform the welfare state to meet its broader social purposes more effectively, or intends to go down in history as the politician with the 'courage' to wind up the welfare state as the basis of the social settlement between the 'haves' and the 'have-nots' which has kept twentieth century capitalist societies relatively stable and free of social violence. 'Reform' is the weasel-word, the floating signifier, which masks this gaping absence.

He says welfare is not reaching those who are most in need. True: but it does not follow that 'targeting', as such, is the correct overall strategy. He says Britain, in a global economic context, cannot financially sustain it. But he does not make anything of the fact that the UK is about fifteenth in the world league table of social security spending. He treats the present level of wealth distribution as a Natural Law rather than a political outcome. He believes welfare is bad for us, corrupting our morals and inducing us to commit crime. But the actual level of fraud is one of the most contested social statistics, and the Fraud Office systematically fails to produce the missing millions. There is as much evidence that the really poor, of whatever kind, can't live decently on the level of benefits they are offered and that many are thereby driven to crime as there is for the proposition that millions of people are making a 'lifestyle choice' to live homeless on benefit in perpetuity. He promises the poor not social justice (that is a bridge too far) but 'social fairness'. But his actual image of the citizen is of the lonely individual, 'set free' of the state to face the hazards of the global weather alone, armed against incalculable risk, privately insured up to the hilt against every eventuality – birth, unemployment, disability, illness, retirement and death – like those lean urban 'survivors' on their mountain bikes who haunt our streets, their chocky bar, Evian water-bottle and change-of-trainers in their knapsacks. Man as 'poor, bare, fork'd animal', isolated and at bay before the elements.

Mr Blair represents his welfare reforms as a continuation of the spirit of Beveridge, but this is simply not the case. For Beveridge understood that welfare systems reflect and have profound effects on the wider social framework. He knew that the principle of 'social insurance' was not only efficient but a way of underwriting citizenship; that 'universalism', despite its costs, was essential to binding the richer sections of society into collective forms of welfare. He anticipated Galbraith's argument that the whole system would be in danger as soon as the rich could willingly exclude themselves from collective provision by buying themselves out. Why should they go on paying for a service they had ceased to use? This potential 'revolt of the elites' is, of course, the critical political issue in welfare reform. The establishment of a two-tiered system, with the richer sectors buying themselves into private provision, is what helps to fix in stone the political threshold against redistribution. It destroys the public interest in favour of private solutions dictated by wealth inequalities and must drive what is then left in the residual 'public' sector to the bottom, perpetually in crisis and starved of investment, and propel those who are left out to the margins.

This 'law' is already manifest in education – though New Labour systematically refuses to confront it. Buying the children out of public education and into the selective private system has become a habitual middle-class pastime, which New Labour's own leaders have indulged as lightheartedly as any other ordinary, unreflective, Thatcherite, possessive individual. 'Targeting', 'selectivity', and 'means testing', which Mr Blair has surreptitiously slid into place as his great 'principles of reform', are destined, as surely as night follows day, to deepen already existing inequalities, to increase marginalisation and social exclusion, to divide society into two unbridgeable tiers and further fragment social integration and reciprocity.

Hence the muffled confusion surrounding the Harriet Harman/Frank Field fiasco. Mr Field bats with the best of New Labour in terms of self-righteous moralism about poverty and the desire to do to people things which are good for their souls. His Methodist spirit is riveted by the fantasy of the great Demon Fraud and the Feckless Work-shy. But he understood that the principles of contributory social insurance and 'universalism' had to be preserved, howev-

'The centre-left may have lost the battle of ideas in the 1980s, but we are winning now. I

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

RIDDELL
OVER THERE, THE FORD SIERRA DRIVER WITH A COPY OF THE SUN!
New Labour New Consultation
SHUT UP AND LISTEN, IF YOU KNOW WHAT'S GOOD FOR YOU.
DR SPIN
CHRIS RIDDELL

er modified their forms; that a network of voluntary agencies could only be introduced if regulated, underpinned and enforced by the state. He believed that benefits must provide, not a residual but a decent standard of life for those who qualify for them; and that the costs of transition from one form of delivering these principles to another had to be borne. These were the 'unthinkable' thoughts for which he was dismissed. The debate about how much, in what form, with what effects, therefore, remains to be had. Tiered universalism, combinations of public/private contributory solutions etc, remain to be debated. There is work for Demos to do! But only after the principles of reform have been openly and thoroughly debated.

It is deeply characteristic of the whole style of the Blair project that Great Debates are announced which do not actually take place. Instead of a clear and open laying-out of the alternatives, we have a massive public relations and spinning exercise, and policy forums to speak over the heads of the much-abused 'experts and critics', direct to selectively chosen members of the Great British Public. There may be an open invitation to participate, to join the consultation. But this openness is effectively closed by Mr Blair's own already-settled conviction that he is Right – what Hugo Young called 'his unfreighted innocence, wide-eyed rationality and untroubled self-belief'. When in difficulties, the party faithful – about whom he is a less than devoted admirer – are summoned to hear the message, not to state their views. The Labour Party, as an organisation within which these profound matters of strategy may

'Despite the talk about participation one gets the queasy feeling New Labour finds the rituals of democratic practice tiresome'

gain, through debate, some broader resonance in terms of the everyday lives and experiences of ordinary folks, and genuinely be modified or win consent, has been ruthlessly emasculated. A terrifying and obsequious uniformity of view has settled over the political scene, compounded by a powerful centralisation of political authority, with twenty-something Young Turks beaming out ill-will from ministerial backrooms, the whole caboodle under surveillance from Millbank and cemented in place by a low-flying authoritarianism.

The Labour benches have, with a few honourable exceptions, been the most bedazzled by the hope of preferment, the most obsequious of all. Critics, welcomed at the front door, are systematically discredited through innuendo and spin-doctored at the back door as being trapped in a time warp, if not actually barking mad. Anyone who does not pass the loyalty test is labelled with the ritual hate-word, 'intellectual', gathered into one indiscriminate heap – those who called for the reinvention of the Left while Mr Blair was still, metaphorically, in his political cradle lumped in with Trotskyist wreckers – and the whole shooting-match branded as 'Old Labour'. 'Bring me the head of Roy Hattersley!'

Against a majority of people on the left, *Marxism Today* argued that bringing the Labour Party into the late twentieth century and transforming many of its traditional habits and programmes were necessary, if traumatic, events. But the reduction of the party to a sound-box is quite another thing. It reveals, to borrow a phrase of Martin Kettle's, how far the demotic has triumphed over the democratic in the New Labour project. The attempt to govern by spin (through the management of appearances alone), where you 'gloss' because you cannot make your meaning clear, New Labour's systematic preference for media reality over sterner political realities, indeed, the constant hype about 'hard choices' coupled with the consistent refusal to make them, are all part of the same phenomenon. This is not a superficial 'style' we don't much like, but something that goes to the heart of the Blair project.

Despite all the promising talk about decentralisation and participation, the commitment to devolution and constitutional reform – which are significant – one gets the queasy feeling that New Labour increasingly finds the rituals of democratic practice tiresome, and in practice if not formally, would be happy to move in the direction of a more 'direct', plebiscitary, referendum style of governance. The project is consistently more 'populist' than 'popular'. This is not the populism of Mrs Thatcher's neo-liberal Right but it is a variant species of 'authoritarian populism' none the less – corporate and managerialist in its 'downward' leadership style and its moralising attitude to those to whom good is being done. It's also deeply manipulative in the way it represents the authority it imposes as somehow 'empowering us' – another triumph for 'customer services'.

The same can be said of New Labour's sense of agency – of who exactly are the political subjects in whose image the Blair Revolution is made. Many of us responded to his election as leader of the Labour Party with the same optimism we greeted the nomination of Bill Clinton. Not because we agreed with everything he believed, or properly knew what it was he did believe, but because he was of the generation who had lived through the Thatcher-Reagan era, through the 1960s and the social and cultural revolutions of our time. We hoped he would respond – however much we might disagree in detail – with sensibilities informed by these late-modern experiences. How wrong we were. The Blair social project is 'modernising' but modern only to a very limited extent.

His key social constituency in the run up to the election was 'Middle England' – a profoundly traditionalist and backward-looking cultural investment. His discourse on the family, social values and diversity remains deeply conventional. Middle England commands some votes. But as a characterisation of New Labour's political subject, it is the repository of English traditionalism, irredeemably small 'c' conservative. As Jonathan Freedland recently reminded us, Middle England is a place of the mind, an 'imagined community', always located somewhere south or in the centre of the country, never north – though Mr Mandelson has recently put in a claim for Hartlepool Man. Middle England is peopled by skilled, clerical or supervisory grade home-owners, never manual workers or public sector professionals. It is commit-

ıave won a bigger battle today: the battle of values.' (Blackpool, 29.9.1998)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tedly suburban, anti-city, family-centred, devoted to self-reliance and respectability. Its cultural icons, he argues, are 'Neighbourhood Watch, Gordon's Gin, Enid Blyton, Ford Mondeo, Hyacinth Bucket, *The Antiques Roadshow*, Nescafé Gold Blend, Acacia Avenue, Scouts and Brownies, Nigel Kennedy and the Salvation Army.' Its voice is the *Daily Mail*.

Since the election, we have heard less of 'Middle England' and more of 'The People'. This is the great body of unknowns, the Essex Lads, the 'Babes', *hommes et filles moyen sensuelles*. 'The People', Jonathan Freedland argues, are the imagined subject of phrases like the 'People's priorities', the Lottery as the 'People's money', the 'People's Princess'. The People are definitely not the 'working classes' or the 'underclasses' or the 'chattering classes' or manual workers or lone parents or black families or trade unionists or public sector workers, or Labour Party rank-and-file members, come to that. Their desires must be flattered: 'wooed' rather than 'represented'. They are spoken to rather than speaking. When not watching GMTV or Sky Sport, they are to be found in focus groups. The People, Nick Sparrow remarks, 'are those who matter once every five years'. Their voice is *The Sun*.

'Historic opportunities don't last forever. And they don't keep coming back, offering you a second chance'

Then there are The Businessmen. The longer New Labour governs, the more it cosies up to Business, reinventing itself in full-dress corporate disguise. Mr Blair is constantly to be seen in their company. Visually, he is exclusively associated with Success, a dedicated follower of celebrity, which is the modern form of the success story. He looks decidedly uncomfortable in the company of the poor. No doubt a Labour government needs support from the business community. But New Labour's relentless wooing of the new business nouveaux riches is nothing short of abject. Businessmen can do no wrong. Their logo adorns every Labour Party conference delegate's name-tag ('Serving the community nationwide' – courtesy of Somerfield supermarket). Their ads will soon be beamed into every classroom that is wired up to the National Grid for Learning. Their expertise is required on every public, regulatory or advisory body. They are the 'wealth creators', whose salaries are beyond control, dictated by some extraterrestrially defined 'rate for the job': the big spenders, the off-shore investing 'patriots', the Mercedes-Benz and *Don Giovanni* crowd, with a finger in every share-option deal and a luxury pad in every global city. The fact that, comparatively speaking, they are set fair to also being the most poorly educated, philistine, anti-intellectual, short-termist and venal 'business class' in the western world does not seem to matter.

In an ill-advised attempt to appropriate the spirit of the new British cultural revival, there was, briefly, 'Cool Britannia'. But it was short-lived. The energy levels here proved too high, the swing too wild and unmanageable, the rhythms too loud, the fashion too see-through, the culture too 'multi-cultural', too full of clever creative folk, too subversive, too 'Black British' or 'Asian cross-over' or 'British hybrid' for New Labour's more sober, corporate-managerialist English style. This was definitively not the 'modernity' towards which Britain required to be 'modernised'.

Finally, in recent weeks, an 'enemy' has surfaced on New Labour's social stage. These are 'the intellectuals' or, as Mr Blair charmingly characterised them, the 'chattering classes'. Recently, he declared himself to have been 'never a partaker of the chattering classes'. Critics and whingers to the backbone, this lot 'pocket everything that they do like and then moan about the 10 things they don't like'. He clearly found it difficult to keep the tone of exasperation out of his voice. The 'sneer squad', as he dubbed them, occupy the forbidden zone of Radio 4, *The Guardian*, *The Observer*, *Newsnight*, *Channel 4 News*. They are outside the circle of influence, 'below the radar'. There is little doubt that the readers of *Marxism Today* belong firmly to the lower circles of this encampment.

It will inevitably be said that this account has been unfairly selective. What about all the good things New Labour has set in train – the peace deal in Northern Ireland, incorporating Human Rights into British legislation, the minimum wage, family tax credit, expanding nursery places, the school and hospital building programme, breaking the tide of Euro-scepticism, the move towards devolution, constitutional reform? Of course, these initiatives are welcome. They add up to a substantial claim on our support. There are many others which point in the right direction, which we should support, though their implementation may be controversial. These include some of the proposals for urban renewal, the efforts to reach through to some of the deep, underlying causes of social exclusion in communities, and the general commitment to improve standards in education – though whether letting Chris Woodhead, Thatcherism's chief Enforcer, loose to brow-beat schools and abuse teachers is the best approach to the latter objective one begs leave to doubt.

The momentous landslide victory of May 1997 was indeed an historic opportunity, inviting New Labour to the difficult task of facing up to the complexities of historical change and, at the same time, offering an alternative political strategy, different from and breaking decisively with the neo-liberal project which was, internationally, the first – but cannot be The Only – political response to the crisis of 'New Times'. Historic opportunities, however, don't last forever. And they don't keep coming back, offering you a second chance. So in answering the big questions about the Blair project, one has had to be ruthlessly selective and go for the strategic choices, trying to identify the persistent tendencies: what seems to be the underlying framework of assumptions, the shaping 'philosophy'.

The picture is ambiguous. There are still counter-arguments to hear. New Labour remains in some ways an enigma, and Mr Blair, either despite of or because of his ceaseless efforts to talk a project into place, paradoxically appears both 'bold' and 'vacillating'. But having held one's breath and crossed one's fingers, it is necessary to speak it as it looks. New Labour, faced with a near-impossible historic task, has not fully confronted its challenge. Instead, it has been looking for easy – 'Third' – ways out, craftily triangulating all the troubling questions, trying to finesse the difficulties. It may therefore turn out to be a half-way decent Labour government, one which one would have been grateful to have in 'normal' circumstances. The times – and the task – however, are exceptional. And the higher the spin doctors pump up the balloon, the more firmly one becomes aware how much of it is hot air.

What we knew after Thatcher was that the New Right could respond to the new historical conditions, though the results of its attempt to do so were an unmitigated disaster. But could the Left? The Left was certainly not in good shape when New Labour took office. However, the fact is that Mr Blair does not seem to have any deep political roots in its hopes and traditions. He is in some ways a modern man, at ease with some of the changes which now characterise our world. But, politically, he is essentially a post-Thatcherite figure, in the sense that the experience of Thatcherism was, it seems, his shaping and formative political experience.

So, try as he may to find an alternative ground on which to stand, he finds the imperatives of a soft Christian humanism more compelling; its cadences come to him more naturally than those of the centre-left. He is an able and clever politician and has become a clever, even to some a charismatic, leader. Just now he is basking in the power a landslide majority has conferred on him. And, far from betraying his principles, he seems totally and honestly persuaded that what he is doing is right. He has and will continue to make many important adjustments to the legacy he inherited. There is also a genuine humanity which one would have been unwise to put any money on in Mrs Thatcher. They are similar figures, but they are not the same.

However, the difficult truth seems to be that the Blair project, in its overall analysis and key assumptions, is still essentially framed by and moving on terrain defined by Thatcherism. Mrs Thatcher had a project. Blair's historic project is adjusting Us to It. That touches half – the modernising part – of the task, as *Marxism Today* argued it.

But the other, more difficult, half – that of the Left reinventing a genuinely modern response to the crisis of our times – has been largely abandoned. At the global and domestic levels, the broad parameters of the 'turn' which Thatcherism made have not been radically modified or reversed. The project of renewal thus remains roughly where it did when *Marxism Today* published its final issue. Mr Blair seems to have learned some of the words. But, sadly, he has forgotten the music.●

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Whinge And A Prayer

Instead of carping from a position of scholastic isolation, thinks that academics such as Hobsbawm and Hall should come up with some practical solutions

Eric Hobsbawm and Stuart Hall are special intellectuals. Within their respective fields each stands head and shoulders above his contemporaries. During the 1980s both were hugely influential in helping the left to rethink its political strategy.

In their contributions here, they eloquently take up the charges that the Government is obsessed with presentation to the exclusion of content, that it has sold out to a right-wing agenda and given up on redistribution and social justice, or that it is run by control freaks.

All governments benefit from criticism. Without it they become complacent and arrogant. This one has made mistakes and I don't doubt that it will make mistakes in the future. But to be taken seriously any critic needs to pass two tests. First, are their criticisms fair and accurate? Second, do they point to any credible alternative?

Since I work for the Government, I have to declare an interest. Yet I suspect that few readers will feel that Hall and Hobsbawm have passed either test, and that if they had been told five years ago that in its first period in office a Labour government would have devolved power to Scotland and Wales, begun investing an extra £40bn in health and education, introduced the biggest programme to cut unemployment in British history, and wholly marginalised the Conservatives, not to mention bringing peace to Northern Ireland, they could not have hoped for more.

Against such a background the often angry and bitter tone of the criticisms seems misplaced. But what of the substance? Is there a serious critique here, or, behind the erudition and eloquence, are we being offered little more than a jumble of assertions and woolly logic?

Let's start with their arguments about capitalism. There can be little doubt that capitalism is entering a period of profound crisis, with sharp downturns in east Asia, Russia and Latin America. As much as a third of the world is in recession, hedge funds are in crisis and banks are overstretched. This much is common ground, and the fact that two marxist intellectuals should have decided that capitalism is unstable and unjust hardly counts as news.

But what should be done about it? New Labour's answer has been to launch a debate about a new Bretton Woods, and the potential for a new world financial authority. Around the world dozens of ideas are being floated and few still believe that all markets can somehow regulate themselves. At such a moment, you might expect Hall or Hobsbawm to offer their own ideas. Yet despite the verve of their attack on 1990s capitalism, they appear, astonishingly, to have nothing to say: nothing about whether there really is an alternative to capitalism, nothing about how capitalism might be humanised.

The problems get worse when the authors discuss neo-liberalism, which they claim is now all-powerful. This viewpoint is, to say the least, idiosyncratic. It ignores not only the fact that a succession of right-wing, neo-liberal governments have been thrown out of power, but also why this has happened: the fact that their societies became more unequal and more fragmented; the fact that the majority became less secure, fearful that they would lose the jobs, pensions and public services which underpinned their quality of life; and the fact that, far from delivering a cut in taxes and public spending, most simply shifted public spending from productive investment into the higher costs of social security and law and order.

This is the political background to the election of governments as diverse as those of Clinton, Jospin, Prodi, Schröder, Blair and Kok. It is why their political agenda is so very different from the neo-liberals. Somehow all of this appears to have passed by Hobsbawm and Hall.

What then of the next step in the argument: the claim that the Third Way has no substance, and represents nothing but submission to the right?

A few years ago this might have been a valid criticism. Back then the parties of the left were still trying to understand where they had gone wrong and why they had lost the public's confidence. A period of reassessment left many parties wiser about the need to be tough on inflation, the folly of import and exchange controls, and about how competition and markets could sometimes serve progressive ends.

But today it is absurd to suggest that the parties of the centre-left have rejected the social democratic tradition. Today's centre-left governments still believe strongly in redistributing wealth and power, although they increasingly want to do this through opportunities to work and learn. They still believe in the role of active government, although they increasingly believe that governments can be more effective if the public sector does not become a vested interest in its own right. They believe in liberty, although they are also sensitive that their electors' concerns about family and crime were not taken seriously enough by parties of the left in the 1970s and 1980s. They believe in citizenship but want to enrich it, like so many socialists in the 19th century, with a strong sense of responsibility and mutual commitment.

Hearing the very sweeping abstract generalisations of Hall and Hobsbawm one is left none the wiser what they think of any of this, let alone where they believe social democracy should be heading. Take, for example, their assertion that the left has given up on redistribution. If true, this really would mark a break from the past. Yet of course it isn't true. One of Labour's first acts was a £5bn tax on utilities to fund help for the unemployed, as clear-cut an act of redistribution as any modern government has undertaken. In France under Jospin and in Germany under Schröder, redistributive measures to create jobs for the unemployed are at the top of the political agenda.

So what is being criticised? Should the budget have been even more redistributive, and, if so, through what means? Are the steps that have been taken to reduce child poverty or pensioner poverty wrong, or just not enough? Again, we are left guessing.

The truth is that Thatcherism is no longer dominant. Tony Blair's speech to this year's Labour Party conference was as definitive a sign of the end of the Thatcher era as one could imagine. Again and again, he reasserted the continuing importance of the values of the centre-left, of community, compassion and public service. It is perhaps not surprising that the right-wing media have found it hard to come to terms with the end of right-wing hegemony. But it is ironic that parts of the left-wing intelligentsia should find it almost equally hard to acknowledge that history has moved on.

What is disappointing about this failure to engage is that it coincides with the most open, international and far-reaching debate about social democracy for many decades. Here in the UK, Tony Blair has deliberately launched the debate about the Third Way in an open manner, so as to encourage the widest possible discussion about the ends and means of radical change. Dozens of articles and pamphlets have appeared, seminars have been held all over the world, from 10 and 11 Downing Street to Washington, and from Brazil to Germany, and a plethora of organisations such as the Fabians, Demos, Nexus and the IPPR have offered practical proposals. Tony Blair's own recent pamphlet on the Third Way has been published in more than 40 countries.

For New Labour the prize is to synthesise the various traditions of the centre-left, social democracy, liberalism and progressivism, into a body of ideas that are sufficiently coherent and hard-edged to guide governments well into the next century. Only time will tell whether this is either

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

intellectually or politically feasible.

But it is already clear that many of the kneejerk responses to this approach do not stand up to analysis. One of the most common, and one which is repeated in these contributions, is the claim that politics cannot be 'both and' politics; it has to be 'either or'. So, for example, to be pro-business must mean being anti-worker, or to be pro-environment must mean being anti-business, or to be pro-public services means being anti-reform.

This sort of argument has an appealing neatness but it can be dangerously flawed. In a market economy, where most jobs are created by private sector investment, and where that investment depends on business confidence, you can either be pro-jobs or anti-business. But you can't be both. The same applies to public services. Some would claim that you cannot be simultaneously in favour of public services and tough in demanding high performance and modernisation. Yet if you want public services to be successful and legitimate, you can either be pro-public service or anti-modernisation. You cannot be both.

If logical flaws undermine many of the criticisms, others fall down simply because they are so obviously unfair. Take the very common criticism (repeated again here) that New Labour is concerned only with image, spin and presentation, and has become so terrified of the status quo that its programme is minimalist.

However easy it may have been to make such criticisms when Labour was in opposition, after nearly 18 months in government this line of attack has become a bit ridiculous. The sheer scale and range of what the government has introduced matches the first period of any government this century, and far exceeds the early achievements of the Thatcher government that the *Marxism Today* authors so admire. One can justly criticise what has been done; but one cannot seriously claim that the concern for presentation has been a substitute for substance.

It would have been interesting if instead of tilting at windmills, Hall and Hobsbawm had attempted a more serious analysis of New Labour's political strategy. There is a serious argument to be had about whether New Labour is right in its gradualist strategy of creating new political space, winning over new constituencies, and testing out ideas, so that at each stage there is more scope for radical change than before.

This generative politics, described by Tony Blair as 'permanent revisionism', marks a significant break from the past when all too often governments of the left launched explosive frenzies of reform only to crumble into disappointment and recrimination soon after. I believe that it is one of the key reasons why, for the first time in my lifetime, there is a real prospect of progressive change continuing for more than one parliament. But I'm also sure that there are valid alternatives, and I would have been interested to read some serious assessments of what these might be.

Why, then, do such outstanding intellectuals offer such thin gruel when it comes to the politics of their own society? Some of the reasons may have to do with the traditional hostility of Hall's New Left and Hobsbawm's Communist Party to Labour governments. But part of the explanation, I suspect, also lies in the remarkable depoliticisation of intellectual life that has taken place over the last few decades.

'Surprisingly few intellectuals are now actively involved in society. The world is viewed at second-hand, through books'

In the past politically committed intellectuals saw themselves as harbingers of a new world in which the economy, education, politics and everyday life would be organised more justly. They were often argumentative, and often wrong; but they saw themselves as part of a movement for change, within society not outside of it.

Today, by contrast, much intellectual life is becalmed. Many of the left's best brains went to university in the 1960s and 1970s, and into a culture in which refereed journals are the main forum of discussion and critique is considered more highbrow than advocacy. Surprisingly few intellectuals are now actively involved in society, as councillors, activists, or school governors. Instead the world is viewed at second-hand, through books, and through books about books. As in parts of the media, an individualised culture has taken shape in which it is easier to be cynical, detached and opposed, rather than to run the risks, the emotional exposure, of being committed and engaged. The result is that although there are many eloquent critics, when you ask them how they would want things to be done differently, they stutter, and mumble, and are soon reduced to silence.

It is not that all intellectuals should be concerned with the minutiae of policy. Only a minority are, or should be. Historians tend to be best at history just as theorists tend to be best at theory. But in the past it was assumed that a mature political outlook meant a fairly clear sense of how society should be organised differently. Marx's later writings provided intellectual fuel for the parties of the First International. Gramsci's writings gave insights into political strategy. Tawney, Laski, Bevan and Benn could all offer fully formed political programmes, straddling the divide between high theory and day-to-day decisions.

Today, for much of the marxist and post-marxist left, there appears to be little interest in offering an alternative strategy. There is lots of big picture theory, but the picture is usually so fuzzy and ill-defined that it's not much use to anyone. Nor is there even much idealism. Previous generations of marxists promised to replace capitalism with a utopia in which true freedom would be realised, human potential liberated, the sick cured and the powerless empowered. Yet in the writings of today's marxists there is no echo of these high hopes, no ideals, nothing to strive for and not even much passion.

At most one gets fragmentary glimpses of what their alternative programme might look like; but all it adds up to is a bit more Keynesianism, a bit more redistribution, a bit less capitalism. But the arguments are made without any rigour, any edge or even any sense that they might matter.

Fortunately, although the tradition of abstract, high theory that traces its lineage through 1968, the Frankfurt School to Marx and Engels, has lost its voice, others committed to the ideals of the centre-left have remained engaged in radical change. Many of them are to be found in local politics, in the voluntary sector and in the professions.

After a barren period when the agenda was set by the right, the debate about social policy has probably never been livelier. Contemporary arguments about welfare reform and social exclusion, exemplify the very synthesis of theory and practice.

In the environmental world, for example, there is now a remarkably sophisticated debate, led by practical women and men and by intellectuals who are able to combine critique, vision and practical policy. Around schooling, healthcare and, democracy, radical intellectual argument is alive and well.

Few have fallen for the idea that the only choices are co-option or opposition. Instead, in each of these areas the propagators of ideas have remained critical and independent, while also being engaged.

Reading the marxists, by contrast, you sense the cloying atmosphere of the seminar room. Political ideas are discussed in the same way that one might discuss Mayan architecture or medieval history. They are there to be dissected, pulled apart, critiqued, observed from a distance. Society is viewed as if from outside, without any sense of membership or responsibility. Walter Benjamin once wrote of the 'peaceful negativity' of a certain type of intellectual, who lived safely detached from the world, able to criticise in the sure knowledge that they would never be called on to do anything or to risk anything for their beliefs, and oblivious of the lines written on Karl Marx's tombstone, that 'the philosophers have always interpreted the world; the point is to change it'.

The fall of the Berlin Wall was not the only reason why *Marxism Today* closed in the early 1990s. It also closed because critique was no longer enough. During the 1980s the left had had to come to terms with a changing world. During the 1990s it had to prepare for power. It was no longer enough for arguments to be interesting or eloquent: they also had to be realistic and practical.

Now the world has moved on again. We are now in a period of radical reform. Inevitably it involves mistakes and false turns. No government is perfect or infallible. But this one has got the important things right. It is delivering practical improvements, testing out more radical agendas and cultivating a far more vigorous and far-reaching debate, both here and abroad, than any Labour government has done before.

No doubt some intellectuals will find outright opposition attractive and comfortable. But I hope that most resist the temptations: not just because we need their talents and insights, but also because it would mean missing out on one of Britain's very rare periods of radical transformation.●

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Cultural Revolution

New Labour has gone out of its way to associate itself with all things cultural. But is unconvinced that it amounts to very much. Yet culture, she argues, is transforming politics and virtually everything else. We live in the era of culture

Let's get personal. Many years ago I went for an interview at a little publication called *Marxism Today* for the job of editing the back half of the magazine. It was the most intense interview I'd ever had and by the end it was clear that something was bothering Martin Jacques, the editor. The problem was that I was not a member of the Communist Party. Jacques more or less said, 'Well, Suzanne, we like you but we're concerned about your commitment to the project.' I'd never heard anyone talk like this before, so I chirpily responded, 'So what project's that?' Everyone shuffled around on their chairs and eventually Martin said, in a rather embarrassed manner, 'You know, the revolution.' 'Oh that, yeah, I'm into that.'

Anyway, all these years later, everyone is worried about everyone else's commitment to the project, so I am not alone. Clearly, there are a lot of different projects gathered together in the name of Blairism.

When I arrived at *Marxism Today*, one of my first jobs was renaming the section. I wanted to call it 'Culture' and we had long discussions about whether that sounded too Soviet or not. In the late 1980s, remember, parts of the left were still embarrassed about the word 'culture', but obviously we were ahead of the times because today even the *Sunday Times* has a section called 'Culture'. In commercial terms, culture, often under the rubric of arts and features, is what sells magazines and newspapers of the left and right. Culture is still seen as what everyone does when they are not doing politics and by discussing the changing nature of cultural politics to politics with a capital 'P', I want to chart the changing relationship between the personal and the political.

For me, as for many people vaguely on the left in the 1980s, I think it is fair to say that culture had replaced politics as where it was at. Culture, however you want to define it, was seen as the place from which change could be generated. I was part of a generation who were so disenfranchised from traditional politics, that it was only logical that we moved into the culture industries of the arts, media and education because this seemed the only space that true opposition to Thatcherism could come from. Left politics, as it was then constructed, had become a dead zone. The Labour Party was like a wounded dinosaur, anti-intellectual and so riven with internal strife that many saw no possibility of renewal, let alone excitement.

Culture, on the other hand, felt radical, groovy, progressive and, above all, popular. We saw in Thatcher a politician who truly understood the meaning of populism. A smidgen of lefty politics could be slipped into the cultural stew and no one would even notice because they would be having such a good time. The work of thinkers such as Stuart Hall and those at the Centre for Contemporary Cultural Studies had been an enormous liberation. To be able to say that sometimes popular culture could be as beautiful, profound and complex as sanctioned high culture was stimulating. It was to be suddenly in possession of what we already owned, what we already consumed and produced, a form of cultural stake-holding, if you like, that was implicitly democratic. We all worshipped Foucault and the idea that power was not elsewhere in Westminster but in every encounter, so that merely creating reverse discourses freed us up enormously. It also meshed nicely with a form of feminist politics that defined power far more subtly than traditional party politics had done. This nuanced understanding of power meant that we didn't have to bother with boring stuff like constitutional reform, or even poverty, because we could watch films and decode their radical subtext. We felt at one level profoundly connected to the real world, and at another level proudly disconnected from the world of politics as it had been historically delineated.

No3 Veal meat again

MARTIN GODWIN

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Such a snapshot may be a simplistic parody but is one with which I am sure some will identify. Looking back, I'd argue that several things happened that ruptured this position, that made it impossible to live in a pure world of culture untainted by the nasty reality of antiquated politics. At that time I'd have argued that cultural politics meant, to use Michele Barratt's phrase, 'a struggle over meaning'.

Yet when a man wrote a book and had his life threatened over it, the struggle over meaning became a struggle over life and death. The fatwa against Salman Rushdie was the Big Bang for those engaged in cultural debates about moral relativism. It was clear that you cannot be a moral relativist if others are moral absolutists. There was no easy way out of this mess.

Secondly, the old debate about cultural value – in shorthand, Keats v Dylan – resurfaced. But it had never really gone away. As John Fichte said, 'We live, breathe and excrete values.' Those who had embraced postmodernism again had to face the limits of the relativist position. The word judgement was once more in the air and if we had shied away from making moral and political judgements it was obvious that we were still making aesthetic ones. There was no pure space, however, in which aesthetics could somehow replace ethics.

Thirdly, some of those people who worked in the culture industries moved up the ladder. They were now working in television, or on newspapers, or in local government and education, and found that the floating world of politics was not so distant anymore. We could no longer ignore it. We had, for want of a better word, become institutionalised, even if we liked to pretend we operated outside the system.

Fourthly, we saw the rise of the new project – Blairism – and where once there had been an exodus away from party politics there was now a rush towards it. 'Sign me up,' said the former cultural dissidents, 'Let's go to work.' The possibility of change was pulsating once more and it had come from the old world of electoral politics, not from the brave new world of culture. Some were seduced, some ran away, some went mad but few of us on election night could wander around saying, 'There is nothing outside the text', and get away with it.

What we have in fact witnessed taking place in the past few years is something quite new. It has been the merger between the cultural and the political in such a way that the traditional space of politics has been totally transformed. At times this has almost felt like colonisation and massive claims have been made for a newer, individualised form of politics which critics claim centres around little more than lifestyle choices. Yet if politics for some has become more to do with what you eat than how you vote, we are seeing a more internalised discourse that sees all change as stemming from individual rather than collective action. At its extreme, the personal is not only political, it is the purest form of the political.

'We are witnessing the coming together of the personal and private spheres. This is a massive civilisational shift which is not just to do with the respective roles of men and women and with the way those changes affect the distinction between public and private, but also the way that distinction was traditionally articulated as one between reason and emotion. Men went out into the public sphere and considered reasonable matters like economics or high politics. And women stayed at home washing around in a slop of emotion. That reason/emotion distinction, which is still tremendously psychologically important to our culture, is collapsing. It is causing real difficulties. The bitterness that surrounds the debate about the death of Princess Diana is connected to that. The backlash from the people who felt they didn't want to mourn Diana was vehement and out of all proportion. The people who felt they could not watch that without protesting were so emotionally angry at the other people who were emotionally mourning. That the emotional is being reintegrated into our decision making processes is an entirely healthy development. If you sit in committees with men as I do, the spectacle of middle-aged men making terrible decisions because they have no idea what the emotional forces are that are driving them is extremely painful. The reintegration of emotion and the concept of reason is an extremely positive process and one which is a very sharp and contested phase at the moment.'

Joyce McMillan, Marxism Today Seminar, 4-6 September 1998

'For me, as for many people vaguely on the left in the 1980s, I think it is fair to say that culture had replaced politics as where it was at'

The retreat into the personal and the validation of personal integrity comes at a time when all government, all corporations, all institutions have come to be seen as innately immoral and corrupt. This lack of faith, unsurprising after the painfully slow implosion of the Tories, is often seen as a form of political apathy. It is not. It is fuelled by a frustration with the language, conventions and machinations of party politics. The desire is not simply to change the world but to change the ways in which change comes about.

As so often with this government, Blair and his advisors have both been attentive to such cultural change and wilfully ignorant of it. This government prides itself on a new way of doing things. It, too, promises to re-invent politics, yet it still uses the same old machinery to achieve its ends. If Blairism is a much needed lubricant, the rusty machinery of Westminster still creaks on. The result is that at times it feels like the new establishment has as much difficulty understanding much of what is going on in this country as the old one did.

Tony Blair – in Simon Hoggart's telling phrase, 'Tough on verbs, tough on the causes of verbs' – used the words 'new' and 'young' so many times in his vision of how Britain would be that we were left feeling overwhelmed. Laptops for every schoolchild and a wired-up community conjured up an image of a fresh country; a country at ease with difference and with itself; a relaxed nation but one that would be remoralised; a country where the Prime Minister could share a glass of wine with those whose claim to fame came from writing lyrics like, 'I'm feeling supersonic, give me gin and tonic.'

This classless society united in its taste for casual clothes, decent olive oil and a sense of fair play was hegemonic in the sense it was curmudgeonly to be against it. In terms of policy, though, it became apparent that underlying such a vision was a belief in the notion that the solution to every problem, both individual and social, was work. You must work if you have small children, if you are disabled, if you have to take a minimum wage that is barely enough to live on. The value of enforcing such a puritan work ethic is debatable. Certainly, though, it runs counter to much of what had been important culturally.

Blair, one feels, sees the changing field of the political as an opportunity to create a new form of consensus, an updated model of politics – the Third Way – which brooks no opposition. Difference is not so much acknowledged as dissolved. At once benign and sensible, it talks of dialogue while at the same time telling us there is no alternative. The touchy-feely style of the Prime Minister himself, the emphasis on resolution and negotiation, disguises the steeliness of the Blairite vision. It recasts opposition to itself not as merely coming from another ideological standpoint, not as opposition to its substance, but as always detrimental to the very form of the Blairite project itself.

The common criticism of this government, that it is all style and no substance, is fundamentally misguided. It is the coming together of style and substance that marks out this government's radical break with its party's history. For the true moderniser understands that there is no real difference between form and function, between policy and presentation. Presentation is policy. A preoccupation with image is no more superficial than a preoccupation with the Bank of England. As Oscar Wilde said, one should be suspicious of those who don't judge by appearances.

Having claimed the cultural high ground of modernity, New Labour has successfully redefined all those who would dissent from it as regressive, as living in the past, or belonging to a bygone culture. Fortunately, as ever, the left has, on the whole, obliged by continuing to live in a time warp and by failing to take on board the radical potential of the reworked political arena.

Instead, this field has been left open to the nebulous counter-cultural movements that have surfaced during the 1990s, from the DIY action movements to those engaged in criminal acts for pleasure every weekend. From the dreadlocked eco-warrior to the middle-class vegetarians, there is a huge constituency who feel marginalised by New Labour's wooing of Middle England.

The New Labour project encounters problems when it comes up against the fragmented nature of the society we live in. Culturally speaking, there can be no Third Way because while opportunistically one may pick 'n' mix cultural assets in an

'I am a modern man, from the rock 'n' roll generation. The Beatles, colour television, tha

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

appealing way – youth, technology, enterprise for instance – much culture still derives from the very sense of social exclusion that the government wants to tackle. Social exclusion may, of course, be material but it is not only material. It is also ideological and cannot simply be smoothed away.

There are many examples I could give but I want to talk about drug use. This is not because I think taking drugs is particularly radical per se, but because the attitude of this government reveals how deliberately far apart these worlds are kept.

When Leah Betts, 'the patron saint of ignorance' as Andrew O'Hagan called her, died, Richard Benson wrote in *The Face*: 'We walk now in a veiled land. On the night she took Ecstasy she was sitting in her mum and dad's living room having a party while they sat in the kitchen. When the veil was lifted, it was found that the veiled and unveiled worlds were not merely close to one another. They were the same.'

Jack Straw, of course, found that the veil was also lifted but told us that what had happened to him personally as a parent was not enough to change him politically as a Home Secretary.

The point I am making here, is the way that the veils between different cultures are lifted all the time and yet nobody wants to look at what is being exposed. Time after time, politicians and the media are taken by surprise. Where did all these weird road protesters who live up trees suddenly appear from? What are all those nice young people doing on holiday in Ibiza? Why do all kinds of people suddenly care passionately about veal calves? Does the age of consent for homosexual men really matter? What is going to be done about the murder of Stephen Lawrence? How come one of the biggest public demonstrations we have seen was in aid of something as vague as 'the countryside'? Who were those who mourned for Diana?

Maybe it is asking too much for politicians to assimilate this information because their job is to create a sense of purpose and unity, yet this lack of acknowledgement of these counter-cultural forces continues. I would argue that these forces remain problematic for New Labour; they cannot merely be recast as remnants of an out of touch left-wing culture that refuses to admit defeat. They are something else all together. They run in tandem with the New Labour project.

While New Labour insists that it is doing things in an entirely new way, its self-renewal still feels rather limited. In party political terms, New Labour is undoubtedly a modern party, yet in broader terms it still feels restricted. Its drive to inclusiveness cannot ever acknowledge the fact that less than half the population actually voted for it. Blair's personal popularity cannot hide an ongoing disenchantment on the part of much of the electorate with the political class as a whole. Inviting a few pop stars to Number 10 does little to alleviate the feeling that the vast gulf between political culture and cultural politics still exists.

KIPPER MATTHEWS

No4 Out of our heads

'In an attempt to embrace everything, Blair is simply unable to smooth away antagonisms of race, class and generational experience'

Blair's actual cultural policy has been distinctly middle-brow, mediocre and driven by market forces. The Millennium Dome symbolises the emptiness at the heart of the vision of what Britain should be like in the future. This dream of national renewal depends on what is put in this giant circus tent. Yet who decides? Certainly, not 'the people'. We must merely pay our entrance fee and prepare to be overawed. This is culture imposed from the top down and it feels as far removed from the democratic process as it is possible to be.

Clearly Blair's attempts to benefit from the Cool Britannia hype have looked rather pathetic. In the attempt to embrace everything, he is simply unable to smooth away the antagonisms of race, class and generational experience, nor deny the fact that much culture feeds creatively on these conflicts. As he found out from the music press, one cannot talk of scroungers and expect those who have scrounged their way into superstardom to support you. Indeed, one might argue that the genuine successes of this government, though presenting itself as new and fresh, have actually been more mature. The nerve needed to broker the Irish peace settlement has been far more admirable than Blair's attempts to be the embarrassing dad who dances in front of the telly when *Top Of The Pops* is on.

So far, then, I have talked about culture in terms of cultural industry and product. But we also talk of culture in terms of the way we live our lives. It goes without saying that the deepest change in the culture has been the change in the relations between men and women, brought about by the entry of huge numbers of women into the workforce. This fundamental shift means that there is a quiet, but nevertheless, far-reaching re-organisation of society going on. Changing family structures and the accompanying moral panics about them preoccupy the headlines still. Here, once more, we have seen both the modernising and conservative aspects of Blairism come to the fore. The classification of the deserving and undeserving poor has been replaced by something else. But, as yet, this 'something else' remains somewhat unclear – those who will work and those who won't?

At a time when many family problems come from our long working hours we are still encouraged to work more. For women already doing the double shift of paid labour and domestic labour this is virtually impossible. Yet one possible positive side effect of the new work culture is that at last childcare is being taken more seriously.

Of the cultural revolutions that have had the most effect on all our lives, feminism has proved remarkably resilient even to sustained attacks on it. Changes in women's lives have been driven by a curious mix of the quest for personal freedom and the demands of an economy that seeks cheap and flexible female labour. Culturally speaking, it seems that even for women who do not define themselves as feminists, feminism has brought about an increase in the demands and expectations of women, yet it has not produced either the men to satisfy those demands or a society in which these expectations can easily be met. This state of transition may account for the success of Bridget Jones.

The backlash against feminism which Susan Faludi described cannot, I think, be seen to have taken place here in the same way as it did in the US. The backlash to which Faludi was referring has to be seen in the American context of an organised religious right that simply does not exist here. So, again, I would argue that the backlash has surfaced most vividly in cultural forms which are, on the one hand, trivial and, on the other, loaded with significance.

In pop culture terms, the *Loaded* phenomenon and the birth of the New Lad can be seen as a powerful fantasy, but a fantasy that nonetheless has gripped the nation's youth, male and female. I say it is a fantasy because the magazine set itself up as a slap in the face to a political correctness which barely existed in the first place, and also as a much-needed antidote to the New Man. If you take the view, as I do, that the latter was largely a media construction invented to get men to buy moisturiser, then what we have witnessed is a media backlash against an already mediated version of masculinity. Yet, out of this circular movement a real effect was produced. Young men were saying, 'At last I can be honest about what I'm really like.' And what were they really like? Beer-swilling slobs who liked tits, football and 1970s repeats. This version of regres-

generation.' (Campaign speech, 20.4.1997)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sive masculinity, which many would argue had never gone away, may have been infantile but it was fun. A more progressive and adaptive model of masculinity which appears to be so pleasurable has yet to emerge.

That the sovereignty of the lad reappeared at the very time when we were flooded with statistics about girls doing better than boys at school and university and debates about the feminisation of the workplace, was no coincidence. If women had said men were useless then here was a phenomenon which entitled men to triumphantly declare their uselessness and laugh about it. At a time when men desperately needed to adapt, a model of masculinity comes to the fore which showed exactly how the essence of maleness was unchanging. If, in the real world, women were taking over, then in some other realm you could still pay for the personal services of a lap dancer who you could remain in virtual control of. When women were thought to be stripping men of power, we have seen in the media more women stripped naked than ever before.

It is around the issue of work that men's problems are most visible and everyday we hear of stories about sexual discrimination in the workplace against men by women. There has even been a glut of victim-envy by men. According to batty cheerleaders like Fay Weldon, 'men are the new women', or the new victims. The pendulum has swung too far in favour of women, go the old arguments. Time after time, commentators are forced to point us in the undeniable direction of the statistics on equal pay, domestic violence, and the glass ceiling to show us that nothing like equality between men and women has been achieved.

Yet even at the heart of the conservative establishment there is now, I would suggest, a feeling that things cannot be reversed, that the clock cannot be turned back, that somehow a new generation of women have to be co-opted into the Tory party and on to the boards of companies. This is a measure of the impact of feminism.

Girl power, that version of feminism-lite in which a wonder bra and platform trainers will show the boys what's what, may be another pop superficiality, but anyone who has seen the confidence of young girls around technology, for instance, will have no doubt that the world has moved on.

Ironically, the word you are most likely to read about these days is not feminism but feminisation. One advantage of the latter is that it can be achieved without women actually being present. Blair's government is a good example of this. He can be praised for his more emotive, feminised, 'just call me Tony' style, while being surrounded almost entirely by men.

We are told by management gurus that the future is feminine. Command structures are said to be less hierarchical, and more web-like. The ability to manage people rather than things is the prerequisite skill of the 21st century – we are supposedly living in an age when intuition and emotion are as important as reason.

Certainly if we can read off significant cultural change in the past few years I think it has to centre around the nature of this feminisation process. However, I would not choose to call it this. Instead, I would argue that the gap between the public and the private domains, the personal and the political, has narrowed, or at least, is increasingly confused. My intuition is that this cannot be over-emphasised and that those who truly understand this new dynamic will have the key to power. I realise that in the context of the huge debate about globalisation this may seem irrelevant or even depoliticised, yet this may indeed be part of the cultural impact of the effects of globalisation.

Right across the culture, there has been a move towards the personal, the subjective, even the confessional. We see it in newspaper columns, in authored documentaries, in books about cancer and illness, in the rise of autobiography, in the Oprahfication of all media. But why?

I will venture three reasons. The first is obviously the delayed impact of feminism. The mantra that the personal is political has come to fruition some 20 years after it was coined. Some would say that in the 1990s we have swapped the personal entirely for the political. Yet what have previously been seen as female concerns – the family, education, childcare – are now seen as central to all social policy. Women today do not feel we have it all, rather we feel we've all been had and we expect government to stop treating us as a special interest group and take our concerns seriously.

The second shift is the ever increasing amount of media in all our lives. We simply know more, or think we know more, about other people's lives. We now know the intimate details of the sex life of the most powerful man in the world. Debates about press privacy always seem rather ineffectual to me. We could simply ban pictures taken with telephoto lenses, but we don't. We could simply stop reporting the lives of B-list celebs, but we don't because the culture of celebrity is a common culture that appears, in some ways, to have replaced the extended family. Celebrity tittle-tattle is part of our shared social space. As Jacqueline Rose recently argued in the *London Review Of Books*, a culture of celebrity which is always about idealisation and projection is always and inevitably also a culture of shame. We must punish those who embody our fantasies.

We are now seeing the public shaming of various celebs and politicians, usually in sex scandals, from Gary Glitter to Bill Clinton. The sensible demand for greater accountability from government and from all institutions, the end of the age of deference as some have called it, means that there is a greater appetite for information about the private lives of public figures. What has caused the monarchy so many contemporary problems has not been those dutifully pressing for constitutional reform, but a tabloid culture of gossip that in the end proved itself able to reveal what official culture wished to deny. Obviously, I'm talking about Diana here. Those with most to hide will always complain about intrusion but a new contract is having to be brokered by public figures and I would still say that this is, on the whole, a good thing. Power, fame or status no longer provides the protective structure it once did. This dismantling of the barricades between the private and the public is among the most significant cultural changes of the past decade.

'Ironically, the word you are most likely to read about these days is not feminism but feminisation'

Thirdly, the impact of what we broadly call postmodernism, the breakdown of the meta-narratives, has propelled us into the purely subjective. Postmodernity has its reactionary as well as liberating elements which are still being played out. If we don't know what we think collectively anymore – and even question whether it is possible to think collectively in an age of social and political fragmentation – then we tend to fall back into not only the 'But I know what I like' position, but also the 'But I know what I'm like' approach. Identity politics shatters into millions of tiny voices as no one dares speak on someone else's behalf. We end up, then, not with the promised plurality of voices that postmodernism may deliver, but the rather indulgent reiteration of the same white, male, middle-class view of the world that prefers to ignore diversity in favour of the bravado of certainty.

This loss of cultural authority means that we often find peculiar convergencies between the left and the right. The reaction to the death of Diana, for instance, has been criticised in much the same terms by both right-wing and left-wing pundits as sentimental, hysterical, fake, media-created and out of control. All the things, interestingly, that the woman herself was accused of being when she was alive.

We are still unsure and afraid of the feelings her death provoked because they appear to some as mobbish and ungovernable. Emotional correctness has replaced political correctness as the *bête-noir* of disenchanted public schoolboys. Yet emotional literacy means the opposite of mobbishness. It means understanding one's feelings and what they are about precisely so that they do not resurface in an hysterical and misguided fashion.

Diana, of course, was not a republican, nor a feminist, but she was formed through and in opposition to both these discourses. Significantly, she deliberately made public what previously would have remained private. That the reaction to her death did not produce a tangible political response – ie we still have a monarchy – does not mean that there are no politics to be found in it. For me, Diana's death symbolised not that 'a change was gonna come' but that a fundamental change had already happened. Our collective self-image was remade.

We did not instantly become a better or more caring society but, nevertheless, one sees in the language of Blair a kind of emotionalism which seeks inclusiveness. Emotion has always been part of politics, just listen to Mrs Thatcher's speeches, it is just that now it is more fore-grounded. But I do not see that this has to be done at the expense of reason. If you want to look at what the feminisation of politics could

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mean, then look away from Blair on the verge of tears and towards Mo Mowlam, a very serious politician indeed but one who has used a more informal style to literally disarm people.

As I write, we are seeing the apotheosis of what happens when the personal becomes political in the wake of the recent Bill Clinton/Monica Lewinsky scandal. An unforeseen alliance of feminism, right-wing conspiracy and unprecedented media intrusion has produced a situation where a man's private life has become a matter for public judgement.

What bothers us, we say, is not really the sex but the lies, and what we know now is how far Clinton forced others to lie on his behalf. Actually what bothers some of us is the sex. I have argued for some time now that Clinton must go, that he has lost all credibility, but until recently this view has not been popular.

My view stems from an implicitly feminist understanding about the abuse and arrogance of power. It is strange now to see that view expressed by more traditional political pundits who have arrived at this conclusion from a very different perspective, as pragmatists concerned with the demeaning of the political process itself.

Nonetheless, we end up in agreement that what Clinton has done personally has undermined him politically. We now see a situation where those who would have formerly argued that sexual conduct in the workplace is an important matter, that a powerful man's treatment of his female colleagues is a matter of public concern, now defend Bill Clinton along the lines that he is one of us and that the Republican alternative is much worse.

'Women today do not feel they have it all, rather we feel we have all been had'

These left-wingers are now asking us to rebuild the old private and public boundaries, to excuse personal behaviour in the name of political expediency. This is political correctness indeed.

Yet it is already too late. In terms of policy alone, governments now intervene in personal lives to a greater degree than ever before. On issues from parenting to health, governments feel free to tell us how to behave. In return, then, as part of this New Deal, we feel that the private lives of public figures may also be examined.

There may now be a retrenchment of the false polarity of the public and the private but since the genie of personal relationships being somehow seen as indicative of political ones has been let out of the bottle, I don't see it can easily be put back in.

The social authoritarianism of the new centre-left governments of Europe is also, in part, a response to the transformation of the political arena. If government continues to devolve power into the hands of the multinationals, or to huge economic forces that no nation state can control, the job of government itself mutates and will seek to bring about change in those areas in which it is still able to intervene.

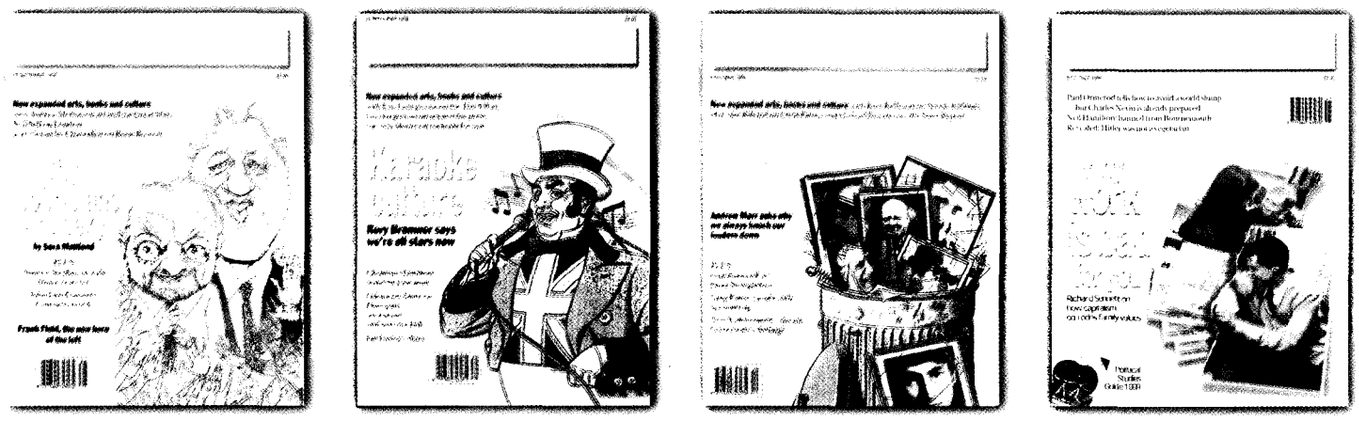
Gradually we have come to see ourselves as consumers of state institutions, from the NHS to education. It is only a short step from there to see ourselves as consumers of government itself and this marks a profound shift in our view of how representative democracy works.

The tension between the consumer and the stake-holder model is at the heart of the proposed Third Way. Likewise, in insisting that rights and responsibilities should always be connected, especially in family life, government situates itself at the very centre of private life.

There is a sense, however, that the cultural transformation of family life has already occurred and policy-makers have yet to fully appreciate how massive this has been. What do family values mean in an age when, very shortly, a third of all children will be living in some form of 'reconstituted family'?

I'll end by trying to answer the question that I was asked all those years ago. Yes, I am committed to the project if the project recognises that often cultural change precedes political change, and that a new settlement is being negotiated between the sexes which fundamentally alters the old division between the private and public sphere that has vast repercussions.

This kind of revolution is neither easy to track or to predict as it has no manifesto or unified ideological standpoint. It is, however, this project, without a party and without a leader, that all of us are engaged in whether we like it or not. ●



Sparx without the Marx

Every Friday from WH Smith and all good newsagents

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Blair's Word Wise Web

Know your 'Blair's babes' from a 'Cherryade'? gets you on-message

Blairspeak For Beginners

Blair, *v* – Yes, there's actually a verb 'to blair'. It means to humiliate or mock someone, as in: 'You blair me again and you're six-foot under.' It's unclear if this usage began with John Prescott, but it's acknowledged in the latest *Bloomsbury Dictionary of Slang*.
Blair's babes, *n* – The female contingent of the new party. How did they get there? See 'gendermander'.
Blind trust, *n* – Not the misguided faith we place in our politicians, but the secret trust-funds that helped get the politicians elected in the first place. Whoever said you can't buy trust?
Cash-for-access, *n* – New Labour's very own political scandal (also known as Drapergate). Not to be confused with the previous administration's cash-for-questions scandal – though like many Blairite innovations, it's really a remodelled Tory construct.
Cherryade, *n* – An assistant of Cherie Booth, the PM's wife, according to the political hacks. Why? 'They are red, sweet and fizzing with ideas,' as the *Daily Telegraph* put it. They particularly dislike being known as 'spin doctresses', an uglier new coinage.
Connexity, *n* – A word to cast around if you ever find yourself sitting next to a New Labour type. That influential wonk Geoff Mulgan defines it as the idea that we are all inter-dependent in modern society as we move away from traditional hierarchies. Catchy, huh?
Follett, *v* – To massage the image of an outdated institution (such as a Labour MP) and make it electable. After Barbara, the party's image consultant, whose folletting earned her the title of 'frock doctor'.
Gendermander, *v* – To meddle in the electoral process so that women are put at an advantage. A very New Labour idea, exemplified in women-only shortlists.
Gordon Brown, *v* – To dress down, particularly at a black-tie event when doing so will be seen to be making a point. A phrase invented by his own spin doctors after the Chancellor wore a lounge suit to deliver a Mansion House speech in Summer 1997.
High-value donor, *n* – What the party calls those extremely important individuals who shape policy and redefine the boundaries of modern politics. In other words, Bernie Ecclestone and any other businessmen who might give it fat cheques (*qv* 'blind trust').
New, *adj* – The official new adjective, promulgated as Labour's first act on winning the election (107 times in the draft election manifesto). As the Press Association's political editor put it, '1997's been New Everything. New Labour, New Britain, New Monarchy, New Prince Charles, New Car...'
On-message, *adj* – The place to be if you are loyal party wonk. It involves the obedient articulation of the party's official line. By contrast, being 'off-message' is the sin of articulating personal opinions. This leads to very rapid rebuttal.
Oppositionalism, *n* – The new -ism for those who miss socialism. It's what the Labour rebel Liz Davies denied she'd shown towards the party, and, as you'd guess, involves a tendency to place one's self in opposition to the moderate wing. Watch out for post-new-anti-oppositionalism, coming soon.
Positive news management, *n* – The purpose of government in the late 1990s.
Post neo-classical endogenous growth theory, *n* – Gordon Brown's catchphrase. The *Daily Mail* once defined it as: 'We have been reading some books and we still want to intervene. Oh, and we also want to go to international conferences.' The *Sun* offered a slightly revisionist interpretation: 'I hope this sounds as if I know what I'm talking about...'
Prebuttal, *n* – The latest spin tactic, after rebuttal and rapid rebuttal: it involves saturating reporters with facts even before something has happened. That way, you can try to bully the *Today* programme into giving only the on-message viewpoints.
Project, the, *n* – What used to be called an election campaign. It's the sort of buzzword favoured by Gramsci and Marx; although enquiries suggest these are not the main influences here.
Rebrand, *v* – What happens to a nation, a monarchy, Gordon Brown's suits, etc, when the focus groups decide it's time for an image makeover.
Respond positively to, *v* – New Labour's favourite euphemism: it's what politicians promise to do about aims that can never be held to be firm promises, and tends to pepper Queen's Speeches (along with phrases such as 'take a leading role in' and 'bring forward').
Third way, *n* – Blair's new Big Idea that offers a 'new, modern' alternative to both capitalism and socialism. It's going to be at least as long-lasting as those other big ideas Tony was so fond of – communitarianism, for instance, or stakeholding. In other words, don't expect him to be talking about it for long.

You can also try our mix-and-match instant Blairism template. Just choose a word from each column, and you can deliver speeches like the great leader. Easy, huh?

'I have been absolutely clear when I have said that the...'

New People	will be constructed with	Decency
Modern Contract	will be constructed with	Responsibility
People's Family	will be constructed with	A Will to Win
Key Community	will be constructed with	Opportunity
Young Enterprise	will be constructed with	Decency
Core Citizen	will be constructed with	Aspiration
Reborn Millennium	will be constructed with	Vision

A Glossary for the 90s, by David Rowan, is published by Prion at £6.99

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Nineties '-isms' by

Isms, Schmisms

Croneyism: Pallid, younger brother of Tory Sleaze, based on accusations that large supermarket chains and energy corporations could lobby the New Boy network of New Labour to buy exemptions from unfavourable legislature. These accusations were deftly spun around the neck of Derek Draper, who was hung out to dry to distract the vultures.

Populism: Recently revived to describe supposed emotional upsurge of feeling from The People in the wake of Her death. The sum of all our delusions.

Revivalism: The continuous reviving of the style of previous decades has been the style of the Nineties. The past life of the twentieth century has flashed through the mind of the Nineties as it finally comes to an end.

Laddism: Exceptionally successful trend in magazine publishing that began as a backlash against the bourgeois New Man stereotype. Laddism was an attempt to fuse the common ground between men of all classes – booze and birds, wine and women. Unlike Cosmo Woman in the Sixties, it was a consciousness-lowering project – the net result of which is that you can't flog anything that doesn't have a bosom on the cover.

New Laddism or Blokeism: Weak attempt to identify a grown-up lad, while still keeping perceptions of men in the retarded state of fashionable demographics. Led to unwise lifestyle magazine launches without bosoms on the cover. Lasted two months. The bosoms are back.

Idlerism: Distinctly British manifestation of American slacker trend. It grew out of an early Nineties recession that meant young men and women in their twenties couldn't get jobs, so had to find new ways to get by. Coming of age in the collapse of the Eighties boom, this generation could not take materialism seriously, and tried their hand at creating their own work in everything from the Internet to raves. Are about to be swept aside by new generation of High Materialists coming out of university this summer.

Infantalism: As people have children later and later in life, so their adolescence stretches out across their twenties. Apparent in both the whiny self-absorption of an Ally McBeal or Bridget Jones, and the brief habit of thirtysomething men wearing shiny boy's trainers. Not to mention the aspirational body shape of models, which is close to that of a 13 year old. Freud would insist it is the real reason why bosoms sell magazines.

Pragmatism: Has been elevated to a political ethos by New Labour in place of ideals, which are seen as obstructive and inflexible when one is seeking real solutions to real problems. Represents the final victory of 'common sense' over the fancy-pants ideas of people who know stuff. It is only a matter of time before someone launches the Common Sense party. They will rule forever.

New Pessimism: A goblet of gloomy millennial angst for a middle class already feasting on a giant banquet of fear. The Worried Well dominate the late Nineties with their relationship angst, pervasive mortality fears, and inability to construct Scandinavian flat-pack furniture.

Majorism: Vague stab at defining political identity of a post-Thatcherite Toryism. The basic Modus Operandi was making hard decisions on things that didn't matter (New Age Travellers and cones) and soft fudges on things that did (Europe and corruption). Tried to launch a Back-to-Basics campaign on a platform of adultery and auto-asphyxiation.

Zeitgeistism: Journalistic trend that is a consequence of underfunding of reporting and analysis. The basic criteria for a Zeitgeist is two vaguely similar things happening in the same week, that act as the tenuous peg for 800 words of one-off the wrist cultural analysis. It is the media writing about the culture solely through the prism of other media, and is an inevitable consequence of lumping all the journalists in Canary Wharf where there is no reality for miles.

Question time with

Spot The Balls

Pop quiz: So what is the difference between Tony Blair and Margaret Thatcher?

Which out of the two:

Q Is the child of an ambitious-but-failed Tory?
A Both (Alderman Roberts, Leo Blair)

Q Likes Tuscany?
A Both (Mrs T used to stay in Woodrow Wyatt's villa; Tony Blair stays in Geoffrey Robinson's)

Q Loves Paul Johnson?
A Both (Blair prays with him)

Q Hates The Guardian and Tribune?
A Both

Q Resents a spoof 'spouse's diary' in the national press?
A Both (Dear Bill in *Private Eye*, Mrs Blair's Diary in *The Observer*)

Q Loves to have a Powell close to them?
A Both (Charles for Mrs T, Jonathan for Tony)

Q Hates Scotland?
A Both

Q Hates Old Labour?
A Guess

BACK PAGE

Tony Blair

What newspapers/magazines do you take? Daily Mirror, The Financial Times, The Guardian, The Independent, Marxism Today and The Economist.
What foreign languages do you speak? French.
What is your favourite TV programme? Fawlty Towers
Where do you listen to music? In the car.
When was the last time you prayed? Yesterday.
What was your first thought this morning? Kathryn's nappy needs changing.
What is the most common colour in your wardrobe? Dark blue.
What is your favourite smoking place? The Fox and Hounds, Trimdon village, for its atmosphere.
What is your favourite piece of architecture? Durham Cathedral and Holly Street Estate, Hackney, London.
Who do you reveal your secrets to? Depends on the secret, but usually to Cherie.
What makes you feel secure? Love.
What do you blame your parents for? Thinking that sending me to public school would be a good career move!
When did you last visit your parents? Last month.
How do you keep your children's interest? Getting up early in the morning and apparently enjoying it.
You're driving through a hot, desolate expanse. What's playing on the stereo? Tom Petty, Runnin' Down A Dream.
What is your city of the 90s? Any capital of Eastern Europe, I hope.
Tony Blair was born in Edinburgh in 1953. He studied law at St John's College, Oxford, where he shunned student politics to play lead guitar in a band called Ugly Rumours. After university he joined the Labour Party, though his father carries the Tory Party card. For seven years he practised as a barrister and then entered parliament in 1983 as MP for Sedgefield. In 1988, he was elected to the shadow cabinet and today he is Labour's chief spokesperson on employment. He is married to barrister Cherie Booth and they have three young children
Where do you wish you were today? County Durham.
Where is your favourite holiday destination? The west coast of Scotland.
How has your diet changed in the past 10 years? Less fat, more balance.
What physical exercise do you do? Tennis and walking.
Under what circumstances would you use private medicine? If my kids were ever at risk and it was the only way I could help them.
At what age do you want to stop working? When I die.
Do you really need your car? No.
Do you own shares? No.
What is your favourite advertisement? Hamlet cigars
What are you doing for the environment? The usual things: lead-free car, etc. But more importantly, making it connect with my politics.
What part of your life would you take into another life? Childhood.
Who is your hero? I don't have a hero. Yet the person who most influenced me was Peter Thompson, the principal of St Mark's College, Adelaide.
What do you no longer believe in? Certainty.
What would you die for? That's not something you can answer until the choice is real.
What current campaign do you most support? Campaigns for the Third World.
What do you now own that you had never dreamed of owning? A British car with a Japanese engine.
What is the greatest amount of money you've spent on an item of clothing? Two hundred pounds on a suit.
What hi-tech device scares you? Any.
How much time do you spend each day on the phone? Too much.
What were you doing when Hamlets was freed? Watching it on TV.
In one word, how has the Parkside affair left you thinking? Depressed.
Complete this sentence: If I was dictator for a day... I'd make sure my political monument was more than a gesture.
How do you personally hope to change by the end of the millennium? To have a sense of achievement.

40 MARXISM TODAY JULY 1990

In July 1990, Tony Blair, then Old Labour's spokesperson on jobs, filled in *Marxism Today*'s questionnaire (above). In it, he revealed that he read *MT*; listened to Tom Petty; wore mostly blue; and that 'If I were dictator for a day, I'd ensure my political monument was more than a gesture'.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Globalisation has produced both a concentration of power and an excuse for a non-int

The Timid Tendency

New Labour believes that globalisation is a force of nature, uncontrollable and irresistible. They are wrong, argues . Despite the rhetoric, globalisation is man-made. It's time to start regulating

Globalisation is the dominant force of our times, or so we are often told. It is the force to which we must all adapt. As Tony Blair frequently reminds us, 'The new global economy [is] refashioning our industries and capital markets'. The Government can do little to alter 'the twists and turns of world markets'. The 'global market is upon us' and governments are unable to 'shelter' the companies which must face it. New Labour accepts 'the new global economy' and runs 'a tight, disciplined and prudent financial and monetary policy to prove it'.[1]

But is globalisation sweeping all before it? Is it an inexorable force to which citizens and national institutions must adapt? Are the destinies of countries and even super-powers no longer, as Bill Clinton recently suggested, in their own hands?[2]

New Labour has typically embraced a particular conception of globalisation, dominant since the rise of Margaret Thatcher and Ronald Reagan – the neo-liberal, deregulatory orthodoxy of the late 1970s onwards. There is a deep paradox here. Blair's arguments for a Third Way seek to balance, in principle, market forces with regulatory mechanisms in order to provide both fair and efficient outcomes.[3] Whatever its weaknesses, this position has the merit of recognising that markets left to their own devices neglect social solidarity, social cohesion and social justice. Yet, when the international market is in focus, such considerations are usually abandoned. In this sphere, laissez-faire becomes the much touted doctrine.

New Labour's conception of globalisation draws on a particular set of arguments, which might be characterised as a kind of hyper-globalist view. It runs as follows. Internationalisation of economic processes – that is, both of production and of financial transactions – is the central force of our times. Internationalisation is promoted energetically by fast-growing multinational companies. Twenty thousand multinationals now account for a quarter to a third of world output and they account for 70 per cent of world trade. Multinationals have made themselves indispensable in the areas, among others, of global production and distribution, the creation of employment, and the diffusion of technology. Although multinationals might have a clear national base, their interest, the hyper-globalists contend, is above all in global profitability and global strategic arrangements.

Financial organisations such as banks are also progressively more global in scale and orientation; developments in London, New York or Tokyo can be monitored and responded to almost instantaneously. In the context of the deregulation of capital markets, new information technology has radically increased the mobility of currencies, stocks, shares, 'futures' and other economic units. This has helped engender a staggering expansion of financial flows in the last 10-15 years. Foreign exchange turnover alone is now over a trillion dollars a day.

Those that emphasise the significance of these global economic forces, above all else, generally argue that the boundaries which were a necessary condition for independent national economic policies have been eroded. Markets, and societies, have become highly sensitive to one another: the October stock market crash of 1987 was one obvious example of this, and the current economic crisis is held to be another. The very possibility of a national economic policy is, accordingly, said to be problematic. The costs and benefits of deploying economic policies have altered. For instance, although there are many reasons why national Keynesianism may no longer work today, one fundamental reason is that it is much harder for governments to manage their economies, faced as they are with a global division of labour and fast-flowing, deregulated capital markets.

Moreover, in this borderless economic world, companies can always pursue the option of investing in new locations. Accordingly, governments must ensure that their economies meet the best standards of the global economic order – low inflation, attractive investment conditions, minimum labour costs, sound infrastructure and so on – if corporations and investment flows are to favour them. The threats to the tax base of individual countries which arise from global competitive pressures can only be ameliorated if these standards are met.

One of the political consequences of this line of reasoning is that social democracy in its traditional form is inevitably undermined; the Keynesian, welfare-oriented state, with considerable capacities for economic and social management, will not survive in the new circumstances. States no longer have the policy instruments they require to run the gauntlet of global economic change.

In short, the neo-liberal, hyper-globalist conception of globalisation is distinguished by its emphasis on the overarching nature of global capitalism, on the inescapability of global competition, on standards of global economic efficiency and on the weakening capacity of states to regulate their economies.

Ever since the late 1970s, there has been a consensus, among all those countries and

'There are three choices. Resist change – futile. Let it happen – laissez-faire; each person for t

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ɔnist politics. In an era of economic crisis there will be no choice but to regulate

organisations with economic clout – the US government, the G7, the OECD, the IMF, the World Bank, and so on – on the necessity and desirability of a public policy and political strategy shaped by, on the one hand, the institutions and principles of liberal democracy, and, on the other, macroeconomic policies aimed at low inflation, balanced budgets, the removal of trade barriers and exchange controls, maximum liberty for capital, minimum regulation of labour markets, privatisation and, in general, a streamlined adaptive welfare state to propel citizens into work. New Labour has all too often gone along with this consensus. Among the most serious implications of this is a tendency to restrict the meaning of political prudence to the pursuit of a particular economic logic.

Adjusting to the international economy – above all, to global financial markets – becomes a fixed point of orientation in economic policy. The 'decision signals' of these markets, and of their leading agents and forces, become a, if not the, standard of rational decision-making. Governments, it is held, cannot successfully second guess market decisions, and they shouldn't try. This view might be defensible if financial market operators had a monopoly of economic expertise. But they do not, and the consequences of letting the market take the lead are very serious.

Financial market operators wield enormous power but their wisdom is often doubtful. They can trigger crises, and they can contribute to making sound policies unworkable. Much of their activity is speculative; it is driven by short-term economic considerations and based above all on extracting gain from the expansion and velocity of financial turnover – in currencies, shares, options, futures etc. They can revalue economies and companies overnight; this occurred in Mexico in January 1995 and is happening all around us now, from Asia to Latin America. In addition, they can undermine the democratic quality of government. For when the decision signals of financial markets become uppermost in the policy process, a privileged position is granted to particular sets of economic interests.

The view that insists that national economic management should be tailored to the requirements of the international economy is linked, moreover, to the pursuit of distinctive supply-side measures – above all, to the use of education and training as tools of economic policy. Individual citizens must be empowered to meet the challenges of increased (local, national, regional, global) competition and the greater mobility of capital. They must be adaptable, flexible, trained, skilled, oriented to short-term employment, committed and contented, if competing multinationals (and small and medium sized enterprises) are going to 'choose' them. Or, to put the point another way, individual citizens have to become like starlets – youthful, beautiful and compliant – if they are going to get past the casting couch to act on the world stage. A concomitant of these policies is a distinctive hesitancy, all too familiar, about distributive justice, the tax/welfare trade-off and any obligations of employers and the affluent which might put off the directors who run the show.

But are there options? In the light of the economic and political catastrophe engulfing Russia, Indonesia and many other countries, the search for alternatives to the neo-liberal deregulatory order is increasingly urgent. It is important to grasp that globalisation does not require the neo-liberal policy mix to be endlessly followed. For globalisation's shape and form is contestable and open to political challenge. The hyper-globalist view represents a particular political and intellectual project, and it is not the only one. There is an alternative conception of globalisation and it is linked to a different policy agenda.

We do, of course, live in a fast-moving world. Today's economic circumstances transform levels of risk and uncertainty. The global economy is more open, fluid and volatile than ever before; economies are less protected and international markets react rapidly to changing political and economic signals. It is harder to buck international economic trends than it was in the earlier decades of the post-war years. Because markets are more liquid, they are an enhanced source of instability. Accordingly, the costs and benefits of pursuing certain policies become fuzzier, and this encourages political caution and 'adaptive politics'. But New Labour has taken this too far, leaving the levers of state power to be all too often pushed and pulled by international market forces.

ALAN REEVELL

No5 Tunnel Vision

'Individual citizens have to become like starlets – youthful, beautiful and compliant – to get past the casting couch to act on the world stage'

It is true that contemporary globalisation is transforming state power, but any description of this as a simple loss or diminution of powers distorts what has happened. For although globalisation is altering the relationship between states and markets, this is not straightforwardly at the expense of states. States and public authorities initiated many of the fundamental changes – for example, the deregulation of capital in the 1980s and early 1990s. In other spheres of activity as well, states have become central in initiating new kinds of transnational collaboration, from the emergence of different forms of military alliances to co-operation in the procurement of major new weapons systems.

The fact of the matter is that on many fundamental measures of state power – from the capacity to raise taxes and revenue

lves, each country for itself. Or the third way: we change, modernise, reform.' (Blackpool, 29.9.1998)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Not for so many years has the fate of our economy depended to such an extent on what is happening on the world scene. What can you do about this?

There are short-term and long-term things that we can do. In the short term what is important for the British economy is that we don't return to the boom and bust of the early 90s... In the longer term there are things that we can do at an international level to try to improve the international system, to improve the transparency and accountability of the financial system, to improve the way that the IMF works.

Does it worry you that all this money, this £1.3 trillion... is swilling around the world all the time and that a few kids in braces can destabilise an entire economy as a result of it?

Yes, but I think the reality is that that is the way of the world... these changes are changes that we can't be immunised from, but we can try and make sure that our own economy is in the fittest shape possible for the long term.

But that's a slightly different issue from the one I was raising which is the financial markets... Now there are things that could be done about... Exchange controls for instance.

No, well I would say that would be the wrong way to go... We are going to live in a market of global finance and there will be investors that decide to move their money in and out of countries. Even though we're living with a very serious economic problem... we have also derived enormous benefit from greater international trade, from the absence of protectionism and the absence of exchange control. So, I'm afraid I am someone who says look this is a situation you live and work with and try and prepare yourselves for, for example, by accepting that the reasons for the Asian economic crisis were in part to do with the financial systems, the lack of transparency and accountability of the systems within individual countries...

...There's something else you can do about them and that is impose some sort of tax, some speculation tax...

No, I would say that that is the wrong thing to do too, because you actually want people to be able to move money very, very quickly...

... Even if all they are doing is gambling with it and threatening to wreck a whole currency?

Well, we've got to be careful of this because I mean it's easy to say at a rhetorical level... but, actually, behind this there are people making investment decisions about economies and if we retreat as a world into protectionism then...

But why would that have to be protectionist, taxing the speculators?

If you ended up effectively saying to people, well 'we are going to tax you for moving your money around', and if we ended up saying, well, 'we will consider reintroducing exchange controls', I think it's a very short step from that to countries saying well 'we'll put up import controls'... Now, my view is that the global market, in the end, is a good thing for us... and the way to handle its consequences is to prepare and equip ourselves for the future. Not to try and resist it or ward it off or say it shouldn't exist.

But while it remains unregulated as it is now, then the whole of the global economy is vulnerable, isn't it?

Yes, but you see ...

That's what you seemed to be saying yesterday in your speech, but you're not offering any solutions.

But, I am offering solutions. There are solutions, as I say, in our own economy that we've got to take in order to prepare ourselves. But, in terms of international finance ....

Yes, but it can't guard against outside from inside.

Exactly, but in terms of international finance actually Gordon Brown has been taking the lead on that by saying we need, for example, a new code of practice for international finance...

... That's voluntary.

No, but it's very important if people sign up to it.

Tony Blair, *Today* Programme, BBC R4, 30/9/98

to the ability to hurl concentrated force at enemies – states are, at least throughout most of the OECD world, as powerful if not more powerful than their predecessors.

On the other hand, the pressures upon them have grown massively as well. In this context, it makes more sense to talk about the transformation of state power rather than simply to refer to what has happened as a decline.[4] The power, authority and operations of national governments are changing but not all in one direction. The entitlement of states to rule within circumscribed territories (sovereignty) is far from being on the edge of collapse, although the practical nature of this entitlement – the actual capacity of states to rule – is changing its shape. A new regime of government and governance is emerging which is displacing traditional conceptions of state power as an absolute, indivisible, territorially exclusive form of public power. Far from globalisation leading to 'the end of the state' it is stimulating a range of government and governance strategies and, in some fundamental respects, a more activist state.

Nowhere is this better seen than in the political context of economic globalisation. Alongside global economic change there has been a parallel but distinct set of political changes, shifting the reach of political power and the forms of rule. Although governments and states remain powerful actors, they have helped create, and now share the global arena with, an array of other agencies and organisations. The state is confronted by an enormous number of inter-governmental organisations, international agencies and regimes which operate across different spatial reaches, and by quasi-supranational institutions such as the European Union. Non-state actors or transnational bodies also participate intensively in global politics. These developments challenge the conventional state-based accounts of world order, generating a much more complex picture of regional and global governance. In this more subtle account, states deploy their sovereignty and autonomy as bargaining chips in negotiations involving co-ordination and collaboration across shifting transnational and international networks.

What developments in domains such as politics, law and the military suggest is that globalisation is far from being a singular phenomenon. In fact, it is a multi-dimensional set of processes. Globalisation is best conceived in relation to a spatial category – at the opposite end from the local and sub-national. It depicts a shift in the organisation of human activity and the deployment of power towards trans-continental or inter-regional patterns. This shift can take different forms and follow different types of trajectory across economic, political and cultural domains; and can generate conflicting as well as complementary tendencies.

The twentieth century tells many different stories of globalisation. There is the rise of neo-liberal deregulation so much emphasised by the hyper-globalists. But there is also the growth of major global and regional institutions from the UN to the EU. The latter are remarkable political innovations in the context of state history. The UN remains a creature of the inter-state system; however, it has, despite all its limitations, developed an innovative system of global governance which delivers significant international public goods – from air-traffic control and the management of telecommunications to the control of contagious diseases, humanitarian relief for refugees and some protection of the environmental commons. The EU, in remarkably little time, has taken Europe from the chaos of the post Second World War era to a world in which sovereignty is pooled across a growing number of areas of common concern. Again, despite its many limitations, the EU represents a highly innovative form of governance which creates a framework of collaboration for addressing transborder questions.

When we think of globalisation, we must also focus upon the hugely important growth in this century of the scope and content of international law. Twentieth century forms of international law – from the law governing war, to those concerning crimes against humanity, environmental issues, and human rights – have created the basis of what can be thought of as an emerging framework of cosmopolitan law, law which circumscribes and delimits the political power of individual states. In principle, states are no longer able to treat their citizens as they think fit; for the values embedded in these laws qualify in fundamental ways the nature and form of political power; and they set down basic standards and boundaries which no agent (political or economic) should be able to cross.

And finally, the twentieth century has seen the beginnings of significant efforts to reframe markets – to use legislation to alter the background conditions and operations of firms in the marketplace. While efforts in this direction failed in respect of the NAFTA agreement, the Social Chapter of the Maastricht agreement, for example, embodies principles and rules which are compatible with the idea of restructuring aspects of markets. If implemented, the Social Chapter could, in principle, alter working conditions in a number of distinctive ways – for example, with respect to the provision of information and patterns of employee consultation. While the provisions of the Maastricht agreement fall far short of what is ultimately necessary, they set down new forms of regulation which can be built upon.

Hyper-globalists have a particular conception of globalisation. The examples above suggest that the twentieth century is replete with an alternative project of globalisation – a project marked by collaborative initiatives, by the development of inter-

'This is the challenge: finding security and stability in a world pushed even faster forward

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

national law and by a commitment to a more regulated political and economic order. This creates an anchor on which to build a more accountable and democratic form of globalisation. New Labour's globalisation policy package suggests that globalisation is a fixed force which has in general to be adapted to. Leadership in these circumstances tends to be a matter not of setting targets, not of vision, not of big ideas, but of providing paths of adjustment.[5] This is particularly unfortunate when it comes from a government whose commitment to democracy is, in some other respects, deeply felt.

If it is the case that globalisation is a more complex phenomenon than hyper-globalists recognise, and that there is more room for manoeuvre in confronting it, what would real leadership on globalisation look like? What are the targets that could fruitfully be pursued? What are the big ideas?

I can think of several. First, to regulate the volatility of international financial markets, and their speculative pursuit of short-term gains. Taxes on turnover in foreign exchange markets, the retention of capital controls as a policy option and a substantial increase in the regulation and transparency of bank accounting and of other financial institutions are necessary measures if international short-term capital markets are to be amenable to democratic intervention.

Second, new forms of economic co-ordination are indispensable. Organisations like the IMF, the World Bank, the OECD and G7 all operate with separate agendas. Policy-making is fragmented. A new co-ordinating economic agency, working at both regional and global levels, needs to be created. This is not as fanciful as it might at first seem, especially in the light of the establishment of new multilateral bodies after the Second World War, and most recently the World Trade Organisation. Where exactly a new economic co-ordinating agency should be located (at the UN, or elsewhere?) is a matter for debate. But the primary issue is to recognise the need for a transnational economic authority capable of deliberating about emergency economic situations, the dynamics of international capital markets, and the broad balance of public investment priorities and expenditure patterns. The brief of such a body would be to fill a vacuum; that is, to become a co-ordinator for economic policy that is set at global or regional levels, or is not set at all, at least not by public authorities.

Third, the extension of legislation to reframe markets is necessary in order to counter their indeterminacy and the massive social and environmental costs they sometimes generate. The ground rules of the free-market and trade system have to be altered in subtle and less-subtle ways. Ultimately, this necessitates entrenching new regulatory terms – about child labour, trade union activity, social matters (such as child care and leave for parenting) and environmental protection – into the articles of association and terms of reference of economic organisations and trading agencies. Only by introducing new terms of empowerment and accountability throughout the global economic system, as a supplement and complement to collective agreements and welfare measures in national and regional contexts, can a new settlement be created between economic power and democracy. Such measures must be thought of as steps toward a new Bretton Woods system – a system which would introduce accountability and regulation into institutional mechanisms for the co-ordination of investment, production and trade.

Fourth, if linked to measures aimed at alleviating the most pressing cases of avoidable economic suffering – by radically reducing the debt of many developing countries, by generating new economic facilities at organisations like the IMF and World Bank for development purposes, and perhaps (as George Soros has suggested) by creating new international credit insurance funds – then the basis would be created for entrenching global capitalism in a set of democratic mechanisms and procedures.

Fifth, none of these developments alone, however, will create the foundations for adequate democratic regulation unless they are firmly linked to measures to extend democratic forms and processes across territorial borders. Such a positive policy of democratisation might begin in Europe by creating greater transparency in key decision-making centres; enhancing the power of the European Parliament and reducing the democratic deficit across all EU institutions. Elsewhere it would entail restructuring the UN Security Council to give developing countries a significant voice in decision-making; deepening the mechanisms of accountability of the leading international and transnational economic agencies; strengthening the enforcement capacity of human rights regimes (socio-economic as well as political), and creating, in due course, a new democratic UN second chamber. Such targets point the way toward laying the foundations for forms of accountability at the global level.

These are elements of what I have elsewhere referred to as a cosmopolitan conception of democracy.[6] Faced with overlapping communities of fate – with, that is, a world in which the fortunes of individual political communities are increasingly bound together – citizens in the future will need to be not only citizens of their own communities, but also of the regions in which they live, and of the wider global order. They must be able to participate in diverse political communities – from cities and sub-national regions, to nation states, regions and wider global networks. It is clear that a process of disconnecting legitimate political authority from states and fixed borders has already begun as legitimate forms of governance are diffused below, above and alongside the nation state. But the cosmopolitan project is in favour of a radical extension of this process so long as it is circumscribed by a far-reaching commitment to democratic rights and duties.

'Citizens in the future will need to be not only citizens of their own communities, but also of the wider global order'

There are glimpses in New Labour's policy armoury of an intuition for greater ambition in the regional and global arena. Their support for an International Criminal Court is a case in point. So is the increasing interest in the G7 as a co-ordinating device for the management of economic and financial turmoil. And there was Blair's September 1998 call in New York to 'remodel' and 'modernise' the IMF and World Bank. But New Labour's proposals in this latter regard remain extremely timid, consistent with the neo-liberal hyper-globalist position. For what they emphasise are: more openness and transparency on the part of banks and countries; improving accountancy standards and financial regulations; enhancing surveillance mechanisms to ensure market discipline will be maintained, especially in emerging markets; and finding more funds for the IMF to alleviate the immediate economic crisis.

Blair has made it abundantly clear (as recently as on Radio 4's *Today* programme, 30 September 1998) that economic globalisation in its current form and shape is here to stay; that the direction and speed of global financial flows are matters for private investors, banks and corporations; and that politicians – at local, national and global levels – have no place interfering in the free market determination of trade, finance and production. As such, New Labour's proposals for handling the current economic crisis are to the right of many other countries – including France and Canada – who believe that more fundamental alterations in global governance should urgently be pursued.

New Labour has a long way to go from starlet politics to being a class act. The economic turbulence spreading throughout the globe provides an historic opportunity for rethinking and remoulding global politics; New Labour needs to leave the make-up department.●

1 See Blair's speech to the CBI Annual Dinner, 27 May 1998; his address to his Sedgefield constituency, 16 September 1998; and his interview with Martin Kettle, *The Guardian*, 15 May 1998.
2 See Clinton's remarks to the seminar on Strengthening Democracy and the Global Economy, New York University, 21 September 1998.
3 Compare Tony Blair, *The Third Way: New Politics for the New Century*, Fabian Society, 1998; and Anthony Giddens, *The Third Way: The Renewal of Social Democracy*, Cambridge, Polity Press, 1998.
4 For a full account of this see David Held, Anthony McGrew, David Goldblatt and Jonathan Perraton, *Global Transformations: Politics, Economics and Culture*, Cambridge, Polity Press, forthcoming March, 1999.
5 Often these paths of adjustment can involve extraordinary costs. The *Financial Times* has estimated that the effective subsidy for each job created by inward investment can reach tens of thousands of pounds. See editorial, 'Silly Subsidies', in The *Financial Times*, 7 September 1998.
6 See David Held, *Democracy and the Global Order: From the Modern State to Cosmopolitan Governance*, Cambridge, Polity Press, 1995.

irresistible forces of history and invention.' (Blackpool, 29.9.1998)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Big Boom Bang

The Asian crisis was blamed on crony capitalism. In fact the global financial system was primarily responsible. Now, argues, we stand close to global recession

It began in Thailand last year but is now firmly rooted in Wall Street. Over the past ten weeks $2.5 trillion has been wiped off the value of the world's financial assets, with $1.5 trillion lost in the US alone. In one day, the dollar fell by nine per cent against the yen, the kind of price fall you might expect from a banana currency. One hedge fund, Long Term Capital Management, has gone bust with $4 billion of capital supporting an astounding $900 billion of liabilities. Russia has defaulted on $40 billion of foreign debt.

The president of the US Federal Reserve says he has seen nothing like it in 50 years of observing the financial markets. There can now be no doubt that this is the worst financial crisis since 1929, and its impact on world output and employment could be no less severe. The collapse in confidence alone is dramatic enough, as is the straightforward elimination of so much wealth that used to support so much consumption. More seriously, western banks are privately expected to write off $50 billion in loan losses, triggering a drawing in of their lending capacity that will prove a powerful recessionary force in its own right. There is, simply put, a one in five chance of a severe world recession that could last more than 12 months – the worst economic conditions since the 1930s.

Faced with this challenge, the world's policy makers have seemed frozen. Some like Wim Duisenberg, the designate president of the European Central Bank, have made the absurd claim that Europe is an oasis of calm that can ride out the storm without damage or without contributing to its relief. Others have underestimated its impact, notably the Governor of the Bank of England and most of the world's finance ministers. Others still, particularly the IMF, that have been ideologically committed to the creation of a global financial market where capital can move freely and instantly at will have wanted to pin the blame for the disorder on governments, regulations and crony capitalism. Anything but global finance must be to blame.

It has only been latterly that the crisis has been seen for what it is, a world financial system that has generated the most vicious and gigantic speculative capital flows ever experienced, and which is destabilising everything. Never before has the world encountered such a large pool of leveraged cash whose sole raison d'être is short-term speculation, and where the instruments for fighting back are so weak. We have a global financial market but no system of global financial governance, and belatedly the leading industrialised nations are trying to beef up the governance and regulation of the world financial system. But it has taken a good year of shocks and crisis to produce even the first timid and cautious responses.

For if the crisis is about financial market structures, it also about the ideas and policies that produced those structures. For 20 years the rise of free market fundamentalism has insisted that government regulation and intervention can only be inefficient, and the optimal means of allocating goods and resources is through the market in finance as much as the exchange of goods and services. It is this intellectual fallacy that is at the root of the current crisis.

For it has never been true that the principles that justify free trade and the free movement of people can also be used to justify the free movement of capital. Money can move so swiftly; financial asset prices can change so fast that they outpace any response in the real economy of goods and services. The great booms and panics in history have always originated in self-feeding moments of enthusiasm and fear, and the feature of money is that it allows those fears and enthusiasms to be immediately expressed. Banks can hoard cash; speculators can chase prices to ridiculously high or low levels. These overdone valuations and confidence swings then feed back into the real economy, and if there are real financial losses, as at present, a credit crunch can turn the downturn into depression.

'The rethinking must start with the recognition that financial markets are inherently unstable. The global capitalist system is based on the belief that financial markets, left to their own devices, tend towards equilibrium... This belief is false. Financial markets are given to excesses and if a boom/bust sequence progresses beyond a certain point it will never revert to where it came from. Instead of acting like a pendulum, financial markets have recently acted more like a wrecking ball, knocking over one economy after another.'

, testimony to US House of Representatives, Committee on Banking and Financial Services, September 15, 1998

'In short, Asia is stuck: Its economies are dead in the water, but trying to do anything major to get them moving risks provoking another wave of capital flight and a worse crisis. In effect, the region's economic policy has become hostage to skittish investors. Is there anyway out? Yes, there is, but it is a solution so unfashionable, so stigmatised, that hardly anyone has dared to suggest it. The unsayable words are: "exchange controls".'

, *Fortune*, September 7, 1998

A free global financial system is thus always prone to wild swings of confidence and of capital movements, that will then precipitate unwanted financial losses and unjustified economic contractions. What blinded those who formed the so-called Washington consensus urging the construction of such a global financial market, with amazingly the IMF changing its statutes in 1996 so that it was obliged to ask member countries to dismantle their capital controls, was pure ideology. This was the capitalist side of the worst kind of socialist thought control; reason abandoned to ideological injunction.

It is this, above all, that has inhibited the policy response to the crisis. When it first broke in Thailand in July 1997, the reaction was to blame the Thais for their economic policy. They had been foolish enough to peg the baht to the dollar, had allowed it to become overvalued through loss of control of inflation, and they deserved their fate. As currency after currency round Asia crashed, most commentators and policy makers reacted in the same way. Crony capitalism had been found wanting, and the IMF was right to insist on a mixture of austerity and the introduction of US capitalist practice as the solution.

It was, of course, a complete misreading of the crisis. The East Asian miracle had been associated with an astonishing growth of productivity, so that many East Asian companies were much more efficient than their counterparts in the US and Europe. Nobody thought to ask why it had been that the IMF and US Treasury had arm-twisted the East Asians into pegging their exchange rates in the late 1980s and early 1990s. They had wanted to force these economies to open up their financial systems to free capital flows with all the exchange risk being born by the countries themselves – hence the exchange rate peg.

It was the worst form of dollar imperialism, exposing East Asia to a build up of short-term capital inflows in search of short-term profits that would inevitably be reversed. It was that reversal between 1996 and 1997, involving a swing of over $100 billion, that provoked East Asia's downfall, not crony capitalism. The IMF should have been arguing for a temporary reintroduction

'With your heart, I ask you to look at the current suffering. Then tell me the status quo i

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of capital controls; instead it has imposed a destabilising austerity which, interacting with the loss of financial confidence, has produced some of the worst economic contractions in modern times. Indonesia's GDP has declined 15 per cent, and so on.

The same arguments could be applied to Russia and Latin America. By misunderstanding the crisis and refusing to act on the hedge funds and open capital markets sooner, the world's authorities have set up the conditions in which the financial contagion moves from country to country, provoking a fresh round of financial losses and impossible speculative pressure. The Russians were forced into default; the Brazilians are holding out courtesy of western credit lines but may buckle. And the resulting price swings then feed back into Wall Street itself as the hedge funds and investment banks experience conditions that their risk assessment models never anticipated. And that, in turn, starts to impact on Wall Street's share values generally, and thus the wealth and readiness of the American public to consume.

What is required is a complete reconstruction of the world financial system and the principles upon which it is founded. There needs to be a world central bank that can lend to countries under speculative attack without having to go through the tired rigmarole of ad hoc IMF-led bail-outs. There needs to be a World Financial Authority, based on the Bank for International Settlements, with the power to regulate the world's hedge funds and investment banks and so make speculation more difficult and expensive.

We need to move from a world of freely-floating exchange rates to a more managed system built around the euro, yen and dollar having some semi-fixed relationship with each other. Countries should be allowed to negotiate capital controls and debt suspensions in extremis, and not be subject to severe penalties when they fall from free market grace; indeed every economy needs to be able to impose some form of capital control if it chooses. The world's poorest countries need their debts written off. And Europe and the US need to aggressively lower their interest rates and allow public borrowing to expand hugely to create an expansionary climate to offset the world deflation. Japan, of course, should aim to have sustained and high inflation, big public spending programmes and public ownership of its banks.

This is, of course, a policy revolution. It implies a wholesale reversal of every article of faith of the market fundamentalists, and an assertion of government control, regulation and direction. It may be true that governments are not terribly efficient, but we have learned that markets are much more inefficient.

The free marketeers have brought the world to the brink of a slump. Their hegemony is over, and a new era of managed capitalism is beginning. The political question is who will lead the change. ●

'There is, simply put, a one in five chance of a severe world recession that could last more than 12 months'

tion.' (Dudley, 15.1.98)

The present crisis may be viewed as the result of an unfortunate combination of circumstances. On inspection, however, the circumstances turn out to have common elements; the crisis has a more systematic character than many are yet ready to admit.

Japan's recession followed a credit and asset price boom that left the Emperor's Palace in central Tokyo being valued above the entire state of California. The East Asian crisis was the result of massive over-investment in industrial capacity, notably semi-conductors, accompanied by a property boom, all fuelled by borrowing, much of it in foreign currency. The subsequent bust led banks and other investors to fear for investments made in countries like Russia and Latin America.

The denouement that threatens is a US and global recession, plausible because the US has had its own bubble – the stock market is wildly overvalued and could fall further, hitting the balance sheets of financial institutions and the confidence of consumers.

The linking thread is the tendency of unregulated financial markets to facilitate credit-asset price spirals. The deregulation since the 1970s has made the crisis possible. Nor is the UK immune. Indeed, the British house-price boom and bust at the end of the 1980s was one of the earliest examples in the current cycle of deregulation and explained why our early 1990s recession was so much worse than that of most other countries'. Moreover, the globalisation of finance has meant there are no firebreaks in the system. We have created a financial monoculture like a spruce forest, with no cleared spaces to stop a fire running from one end to the other.

International co-operation is now needed to make the forest less inflammable and to put in some firebreaks as well. The following measures are required.

Implicit guarantees from governments to banks of the 'too big to fail' kind must go and be replaced with formal guarantees of bank deposits. The quid pro quo is tighter regulation. The US distinction between banks – that take deposits and cannot invest in securities – and other financial institutions must be preserved and extended to other countries. The Glass Steagall Act introduced under Roosevelt's New Deal needs to be exported, not abolished.

Capital adequacy regulations for banks, established by the Bank for International Settlements (BIS), must be refined to embrace 'off-balance-sheet' exposures via derivatives and other techniques. In effect, more reserves must be required for risky investments and foreign exchange speculation.

Most importantly, adequate accounting standards must be enforced and the regulations policed by a flying squad of international financial inspectors and auditors. This may require a new institution to supersede the BIS.

An institution should certainly be established with power to create a certain amount of 'global money' – a modern successor to the IMF's 'special drawing rights' – on an adequate scale. But only countries and institutions that conformed to the new international banking regulations would qualify for credit. The credit rating of any country not accepting international banking supervision would therefore be lower, providing the necessary sanction. The new institution could also act as a financial intermediary when world liquidity was drying up by borrowing against its own right to issue global money in future and lending on. Some people have called this a new world central bank. Unlike a national central bank, however, this institution would not routinely control monetary policy in 'member' countries.

Governments or monetary authorities must take responsibility for the wilder swings in asset markets, notably exchange rates. Individual countries cannot peg rates, however. Studies of fundamental determinants of prices like exchange rates should be made and published by an international body and used to fix 'target zones'. These target zones would depend inter alia on what the international body thought was compatible with national policies. Governments would not be able to set a target while pursuing other policies that made it impracticable. National central banks whose currencies were in demand would be obliged to support the target zones by intervening in the market.

Small countries should not be bullied into complete deregulation of capital flows but helped to design and implement systems of control that are clear and fair to international investors while inhibiting massive and disruptive reversals of flows. Nor should they be bullied into the dismantling of welfare systems in the supposed interests of 'flexibility'.

These reforms would require a great increase in international co-operation; they would require recognition that banking is international and must be subject to uniform regulation. They would not require the suppression of international investment and trade. Indeed, they may be necessary for the latter's preservation.

Gerald Holtham

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Market Myth

The current financial crisis does not threaten global capitalism, argues . But the political ambitions of market fundamentalism have been undermined and are now in retreat

Exactly 10 years ago, in the autumn of 1988, Mikhail Gorbachev travelled to New York to deliver his historic address to the UN General Assembly. He went to proclaim that the cold war was over. Communism had failed; it was forced to concede defeat in its 70-year battle against the global capitalist system. The victory of global capitalism was complete and unconditional. Some historians declared that the triumph of the capitalist system over every other form of human organisation in every corner of the world marked 'the end of history'.

Whether predictions about the end of history were right, it is too early to say, as Chou-en-Lai remarked when asked his opinion about the French Revolution. But one thing is certain: the predicted end of history did not mark the end of grandiose historical predictions. Less than a decade after capitalism's permanent and comprehensive triumph, it is suddenly fashionable to declare that the global capitalist system is doomed.

Could this be true? Is the golden age of global capitalism, which reached its climax less than 10 years ago with the demolition of the Berlin Wall, already in decline? Is the ideology of market fundamentalism which was sweeping all before it, now suddenly in retreat? Surprising as it may seem, it is possible to give a direct and unequivocal answer: 'yes and no'. No, there is no threat to capitalism as the dominant economic system in every important region and country. But yes, the extreme neo-liberal ideology which has spread around the world even faster than the craving for Coca-Cola, is now on the wane.

To put it another way, capitalism will continue to rule the world's economic system, but terms such as Thatcherism and monetarism, employed as political slogans, are already beginning to sound as quaint and outdated as did the Great Society or Butskellism a decade ago. I will look first at why capitalism is likely to shrug off the present crisis and then the reasons why free market ideology is genuinely under threat.

Capitalism is not about to collapse, because it is an incredibly robust and durable system. In fact it is more than that. Capitalism is natural. Capitalism is natural because, unlike communism, it faithfully reflects human nature. This is perhaps the most important lesson from the failure of the communist experiment. The instinct to own private property, the propensity to truck and barter, as Adam Smith called it, and, above all, the urge to compete, have been the motive forces of economic activity in every society since ancient Egypt and China. Capitalism, which gives full vent to these human characteristics, is as natural and irrepressible as sex or religion. In arguing that capitalism was a transitory historic phase and an affront to human nature, Marx was quite simply wrong. More specifically, he was misguided. He identified capitalism as a particular historical arrangement for the ownership of the means of production; but the true essence of capitalism lies in the dominant role it accords to markets, competition and greed in organising economic affairs.

Capitalism in this sense is certainly not under threat. But that is too easy and general an answer at a time when financial and political authorities are warning that the specific historical manifestations of modern capitalism – free trade, booming international investment, more or less full employment and the gradual absorption of all developing countries into the global system – are in a state of crisis. Even in this narrower historical sense, the threat to global capitalism from the crises in Asia, Russia and parts of the western financial system is greatly exaggerated. There are at least four reasons for this.

Firstly, while it is true that almost a third of the world economy, in terms of the value of output, is now in recession, the impact on the dominant regions – North America and Europe – remains quantitatively small. Trade with Asia, Russia, Latin America and even Japan is simply not large enough to pull the core regions of world capitalism into recession as long as consumer demand remains robust. A more dangerous avenue for contagion is the international financial system and especially Japan's role as the world's largest capital exporter. A complete meltdown in Japan, including uncontrolled bank failures, is one contingency that could tip the western world into depression. But this remains an extremely improbable scenario, especially since the solutions to Japan's economic problems are simple, feasible and almost universally understood. All that is needed to stabilise the Japanese economy and rescue its financial system is the political will to admit previous mistakes and execute a complete U-turn on government borrowing and tax policy – Japan must explicitly abandon fiscal orthodoxy and accept vast government deficits for several years to come. It is hard to believe that, if the chips were down, the personal pride of a few Japanese politicians and civil servants would be permitted to trigger a worldwide financial collapse.

Secondly, the recent declines in world stock markets are probably less ominous than generally believed. A moderate bear market, which would take share prices down by 30 to 40 per cent from their recent peak levels, would hardly be a perfectly normal phenomenon. Despite the mythology surrounding the 1929 crash, the stock market has never been a reliable indicator of economic disaster. As Paul Samuelson once said, 'Wall Street has predicted six of the last three recessions'. The main danger is that a sharp decline in prices would hit consumption, especially in America where enormous stock market gains have virtually eliminated the need for consumers to save. A sudden increase in Americans' propensity to save could have a seriously depressing effect on the world economy. But this effect could – and almost certainly would – be offset by changes in monetary and fiscal policy as discussed below.

Thirdly, there has been much discussion in recent weeks about the threat of a return to protectionism following the introduction of capital controls in Asia. This, too, seems overstated. Controlling capital flows is a far cry from interfering with free trade in goods. Only a few years ago most countries in Europe had capital controls as onerous as the ones introduced in Malaysia. Even the US severely constrained capital outflows as recently as the mid-1970s. There are, in fact, strong arguments for some control of capital movements in many developing countries, although the emphasis should be on preventing short-term inflows rather than long-term outflows. The fact is that completely free capital movements were never an essential component of a global capitalist system. They were, however, an important part of the extreme neo-liberal ideology which denounced any government interference with free markets. As a symptom of the decline of market fundamentalism, the swing in intellectual fashion against free capital movements is extremely important – but only in this ideological sense.

The fourth and most important source of reassurance for global capitalism is the instinct for self-preservation of the capitalist system itself. Sooner or later a recession is certain to hit the core regions of the capitalist system, even if it is not triggered by the present financial crisis. But there is very little chance that such a recession would degenerate into a full-scale depression with the power to do global capitalism permanent harm. Since the second world war, modern capitalism has avoided any repetitions of the deep depressions which were

'There is no such thing as a job for life. Long-term structural unemployment has become

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

'The collapse of the emerging markets and its ricochet effect on advanced economies may not be the end of globalisation. But it is certainly the end of an era... It is hard to believe that just a year ago the IMF was trumpeting a new global commitment to unfettered capital flows. Almost all observers now concede that premature liberalisation of capital markets (often pushed by the IMF itself) was one cause of the current crisis.'

, The Economist,
September 12, 1998

previously considered an unavoidable feature of the capitalist system and which inspired apocalyptic predictions about the doom of capitalism going back to Marx. The reason why depressions have been avoided since the 1930s is quite obvious, but it is rarely discussed for ideological reasons which should soon become clear.

Depressions no longer happen in advanced capitalist economies because of the new techniques of demand management developed in the 1930s, not only in Britain by Keynes, but also in America under Roosevelt and, not least, in Germany by Nazi economists such as Hjalmar Schacht. In the years since then, the theories of demand management have been constantly revised and Keynesian economics has gone in and out of fashion. But regardless of all the arguments about the intellectual underpinnings of Keynesian economics, there can be no going back to the pre-Keynesian ignorance about the possibilities of government intervention to counteract depressions by maintaining economic activity. The simple empirical fact is that the techniques of demand management discovered in the 1930s have been about as effective in preventing economic depressions as penicillin is in curing TB. Thus the essential insight of Keynesian economics – that governments must, and can, take responsibility for keeping up economic demand if consumers and businesses stop spending – is not going to be suddenly forgotten if a large capitalist economy is threatened by a serious recession.

Whenever the underlying public faith in the capitalist system was remotely threatened, all western governments, regardless of their ideological persuasion, have been prepared to engage in active management of demand. This has been true of ideological free-marketeers such as Thatcher in 1981 and Reagan in 1982 and of theoretically dogmatic monetarists such as the leaders of the German Bundesbank in 1995 and the Swiss National Bank over the past two years. As a result, there have been no economic dislocations since the 1930s remotely comparable to the great depression. In fact, the biggest fall in annual GDP suffered by any advanced capitalist country in the post-war period has been just over 2 per cent (in Britain in 1980 and again in 1991, and in the US in 1982). Such relatively minor setbacks compare with losses of 20 per cent or more in national output that were common during the capitalist depressions up to the 1930s. Only in emerging economies such as Russia and Asian developing countries, where the capitalist financial system is not yet sufficiently developed to make it feasible to manage demand, are similar disasters imaginable today.

It could, of course, be argued that a 1930s-style depression would not be required to damage the global capitalist system. Even the comparatively small recessions of 1974-75 and 1980-82 produced mass unemployment and led to the near-abandonment of social-democratic welfare states. So why shouldn't the same happen to global capitalism in the years ahead? The answer is that even recessions on the scale of 1974-75 or 1980-82 could in principle be avoided and almost certainly would be. Those two recessions can both be seen as the consequences of deliberate policies in the leading industrialised countries to create unemployment. The superficial pretext for doing this was to control inflation. The deeper purpose was to control a malady which is inherent to capitalism: the breakdown of labour discipline that naturally occurs after several decades of continuous prosperity and full employment. This breakdown of discipline, which manifests itself in struggles over income distribution and ultimately in accelerating inflation, is much more challenging to capitalism than the deflationary financial crises seen today. Inflationary recessions are obviously not amenable to treatment through expansionary demand management, while the struggle over income distribution challenges the political foundations of capitalism. That was why advanced capitalist countries were willing to accept quite serious and prolonged recessions in the 1970s and 1980s, because they actually strengthened the social foundations of the capitalist system as the emergence of Thatcherism and Reaganism so clearly showed.

This sequence of events was fully anticipated as early as 1943 by the great Polish economist Michal Kalecki. He argued that the Keynesian understanding of demand management had made it technically a trivial problem to avoid recessions and maintain permanent full employment. But he also anticipated that Keynesian policies would eventually be abandoned for political reasons because they had worked all too well.This was an exact prediction of what actually happened in all the leading capitalist countries 30 years later in 1970-73. It explains why the great recessions of 1974-75 and 1981-82 were not merely tolerated but deliberately manufactured by governments. The present situation could not be more different. Today, the expansionary policies can be used to prevent recession without undermining the capitalist system by fuelling inflation and strengthening the working class. It is safe to say, therefore, that the present financial crisis can and will be overcome by expansionary macro-economic measures and that the global capitalist system will remain as strong as ever from the economic point of view.

'Capitalism is not about to collapse, because it is an incredibly robust system. More than that. capitalism is natural'

There will, however, be an ideological cost, both from the present crisis and from the measures needed to control it. That cost will be the discrediting of market fundamentalism.

All over the world extreme free market ideology is now in retreat and is likely to retreat much further in the years ahead. The reason is obvious. Even though global capitalism will recover from the present crisis, the ideological claim that markets work best when left to their own devices has been exposed as a myth. Capitalist economies do not automatically maintain full employment. Instead of relegating politics to the sidelines and mandating minimal government, advanced capitalism requires conscious management by government, central banks and international regulators in order to prosper or even perhaps to survive. Without a certain amount of government intervention, global capitalism generates booms, busts and crises. As for unfettered financial markets, it is simply risible to claim they can always be relied on to allocate resources in an optimal, or even in a prudent, way. In short, the global financial crisis is exposing the 'magic of the market' as a myth.

This is the real significance of the capital controls now being introduced in Asian countries, of the abandonment of monetarist orthodoxy by the IMF and of the successive defeats suffered by right-wing political parties in America, Italy, Britain, France and Germany over the past few years. All these events are symptoms of a reaction against the ideological excesses of market fundamentalism, an ideological reaction that is gaining momentum because of the global financial crisis.

What will be the consequences of this reaction against free markets? In the economic arena, they may not be very profound. There will be some new controls on capital movements and perhaps a greater willingness by governments to regulate in domestic markets, but a full-scale reversion to the interventionist policies or nationalisations of the 1970s is unlikely, since these policies had a fundamentally marxist inspiration which can now be seen as absurd.

However, the political impact of discrediting market fundamentalism will be far-reaching. The purpose of market fundamentalism has been to establish the primacy of economics over politics. It has tried to extend the dominance of market forces into areas where politics once ruled. From health and education to income redistribution and environmental protection, the market ideology has tried to replace the principle of one man one vote with one pound one vote. But recent events have shown that markets, as well as politicians and voters, are prone to disastrous mistakes. The main effect of the global financial crisis will be to teach the world that lesson, with all that it implies. ●

of life.' (Cape Town, 14.10.1996)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

La Repubblica's on

Europe's Mr Cool

With France, Germany and Britain all ruled by parties of the left, the race is on to see who will set the themes that will dominate the continent's politics

Like everything else that Tony Blair does, his pamphlet on the 'Third Way' has aroused European interest of a sort that neither the writings nor the speeches of Lionel Jospin, nor those of Gerard Schröeder elicit. No other leftist world leader commands such attention (apart from Bill Clinton, but for quite other reasons). Yet Jospin governs, and does a good job of governing, a country that is no less important and no less complex than Britain. And there can be no doubt that the future of Germany is more central to Europe's fate than the future of Britain. But despite an approach which is just as pragmatic and moderate as that of New Labour, the European Old Left lacks or, what is worse in the present climate, is unable to communicate a theoretical base of its own, an ideology, a manifesto.

Today, more than ever, the left needs new values if it is not to lose its way in the debris of ideals remaining after the fall of the Berlin Wall and the end of communism. Blair knows how to get his message across.

While this ability can be partly explained by Blair's own personality with his quasi-religious tendency towards straightforwardness that is much loved by the British, it also reaches deeper into political necessity. Coming to power after 18 years of Thatcherism and a conservative government, the British left has found itself at the helm of a fully-fledged globalised economy, entirely privatised, decidedly post-industrial, where the 'chips' that count are those in the City, the legal profession, the entertainment industry, and no longer in the steel and car industries.

DAVID SILLITOE

Embracing Cool Britannia – a cultural desert or an oasis?

This is a type of economy which no central structure, nor national political power can run, and which eludes even the instruments of classical statistics. The most sensational example of this is the dilemma that faced the Bank of England when for several months it hesitated over raising interest rates in order to slow down the services boom, or lowering them to help industry.

As the *Financial Times* put it, the British economy may be compared to a supermodel: so thin as to be verging on the anorexic, legs long but slight, lithe, lean and competitive.

Politics can no longer get its hands on such an economy; even if it did, it wouldn't know where to start. All it can do is play around with a limited budget, being careful not to touch the *sine qua non* precondition of macroeconomic stability, in what amounts to a continuous exercise in minor social engineering that has no significant effect on the overall structure of society.

When Labour was last in power, its chancellor addressed the 1974 Budget thus: 'This is the first step in the irreversible transfer of wealth and power to the workers and their families.' To make such a statement today would be akin to blasphemy.

If politics no longer has anything decisive to say about the transformation of society, then what else can it do but turn in upon itself. So some credit is due Tony Blair and New Labour for having faced up, unhypocritically, to the problem of politics in post-industrial societies, and for having tried to adapt the left to globalisation.

Assessing New Labour's first 18 months, it seems that Blair's main preoccupation has been to reform the political hardware, its mechanisms and institutions, and to refine the political software, its messages, its slogans, its image. Devolution and constitutional reforms on the one hand, leaderism and public opinion polls on the other. A mix of democracy and a media-led authoritarianism provides the blueprint for the new world, in which politics is preoccupied with itself and nothing more. It is a world in which politics is a daily battle for a public whose interests are elsewhere; a politics that is forced to keep abreast of new experiences of collective life, from the fight against tobacco sponsorship to the banning of fox hunting. A politics in which spin doctors are crucial as they teach politicians how to reach people's hearts, now that their wallets are out of reach.

In this sense, 'Cool Britannia' was something more than a fortuitous slogan. The novel lifestyles of the young from which it originated were products of the Thatcher years, of a harsh period of de-industrialisation and the dismantling of an ancient social hierarchy. The children of the working class, coming from a sub-culture of pubs, football, and fast cars, were wrenched from the social context that had been proudly inhabited by their parents and grandparents, but transformed this social defeat into cultural revenge, creating a fashion along the way.

The cultural industry jumped on the bandwagon of this phenomenon. It was the most accommodating and the shrewdest response that a post-industrial society could have towards its own crisis of values. And Blair and New Labour were the most prepared to understand it. But by rubber-stamping a rebellious attitude as their own official religion, they have given it the kiss of death. Something even newer and more rebellious will replace Cool Britannia. In his day, Harold Wilson also tried to make politics embody the spirit of the times, by cashing in on the Beatles. It all ended in tears, though, with the sterling crisis and devaluation. And this time round, it will again be the economy which decides the fate of New Britain.

'Blair's own personality, with his quasi-religious tendency towards straightforwardness, is much loved by the British'

There are many good ideas about Blair's 'Third Way', both in its 'communitarianism' and in its attempt to construct a terrain which will constitute a 'Third Way' between the socialist hyperstate and the hyperliberalism of the New Right. The emphasis on duties as well as on rights; the ambition to reform welfare in order to reduce its resultant social dependency; the hope of mobilising, by means of better training and education; the entire human capital of a society. These are all principles that have their natural home in the left and represent an interesting renewal of its basic tenets. Blair's explicit reference to a 'renewed social democracy', to something that is not

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

beyond the right and the left, but which already lies within the history of the European socialist movement has even been greeted positively by the Continental Left, who see it as confirmation that it is not enough to be free of extremism in order to institute a New Left.

But this policy also has an intrinsic weakness. It lacks a market theory and it does not probe very deeply into the characteristics of contemporary capitalism. Nor indeed does it attempt any analysis of the latter's natural tendency towards instability – a feature manifested so sensationally in Asia and in Russia.

So far, the New Left seems to have settled for a laissez-faire attitude towards globalised economics, accepting it as an incontrovertible fact. As long as it lasts, the present scheme of things gets results.

The idea that globalisation might signify the end of economic cycles and the ushering in of a new era of uninterrupted growth has seduced New Labour. It is also the only scenario in which it would truly be possible to reconcile low interest rates with high public expenditure, the interests of both the rich and the poor, as the 'Third Way' is proposing.

But the global crisis will inevitably force also the New Left to face up to the necessity of formulating a critical theory of capitalism and devising new forms of governing economics.

Blair has already put forward a series of proposals for restructuring international financial bodies and for stepping up controls governing the more reckless activities in the markets. The traditional conceptual instruments of the Keynesian left will not, in my opinion, be adequate to carry out this task; new categories and new analyses are necessary for dealing with a situation which, though predicted by Marx and Engels in *Das Kapital* is wholly new.

Today, capitalist accumulation and profit are no longer automatically transformed into a widening of the productive base. If the left fails to come up with a new approach to the new post-industrial capitalism, there will be no New Left, and even the 'Third Way' will risk turning into a Milky Way, paved with good intentions.●

Inappropriate relations by

Tony's Head Start

Bored with Bill and Monica? Revelations about Tony Blair's inappropriate relations with Rupert Murdoch is a hotter read

Prosecutor 1: Good morning, Mr Prime Minister.

Prime Minister: Er, good morning, Sir Leonard. Look, I wonder if I could possibly read out just a short statement before we begin?

Prosecutor 1: We have no objection.

Prime Minister: Thanks. I want to take this opportunity to tell everyone out there that I have never had any kind of sexual relationship with Mr Murdoch. There has been no oral thingy; no mouth, er, whatdya-callit contact; no thongs; no cigars; no beastliness on cocktail dresses. I think the country knows me well enough to say, 'Look! This is the same man we elected back in May 1997. He can be trusted. He keeps his hands to himself.' I also want to say that Mr Murdoch is a very talented and – looked at in a certain light – rather beautiful tycoon, who does not merit this kind of treatment, notwithstanding his recent decision to relocate Manchester United to Shanghai. Much though I regret it, it's what any business leader would do in the same circumstances, and does not justify this inquisition on your behalf.

Prosecutor 2: Is that it? You nod your head. You would agree, Mr Prime Minister, that Mr Murdoch has performed a number of, um, services for you?

Prime Minister: I wouldn't call them services, no. We respect each other, that's all. He's a good tycoon, I hope I'm a good leader of this country.

Prosecutor 2: I'm sure you do. Let me take you back to the period before your last, er, election. Is it not true that Mr Murdoch's principal organ expressed complete support for you, and that this was something for which you had been hoping and planning for some time before?

Prime Minister: Yes. But, look, that was up to him. Obviously, I welcomed the support of anyone who felt that New Labour would make a top drawer government. There's nothing sinister in that?

Prosecutor 2: But what did Mr Murdoch get out of it? Did you really never massage anything here, tickle something else there? Are you asking us to believe that, despite his helping you to a satisfactory climax, he asked nothing for himself?

Prime Minister: Look, he was just doing something for his country. Well, OK, one of his countries.

Prosecutor 2: Very well, but you will admit that you have had several quite intimate encounters with Mr Murdoch? For instance, on Hayman Island in Australia in July 1995? Did you suggest to him there, that you might be able to do something for him?

Prime Minister: I did not. I like Australia. Cherie has a second cousin there, and I thought I'd kill two birds with one stone, and talk to the News International people while I was in the outback. That's all.

Prosecutor 1: Me again. Can I turn now to visits made by Mr Murdoch to your country retreat at Chequers? How many visits were there?

Prime Minister: A couple. But lots of other people were there. For instance, one evening there were four of us for bridge, Rupert, myself, Geoffrey Robinson and little Bernie Ecclestone. Try making something sinister out of that!

Prosecutor 1: Thank you, I will. What about the case, from earlier this year, of the Italian phone call. Did you lobby the Italian PM on Mr Murdoch's behalf?

Prime Minister: No, I didn't. One afternoon the phone rings, and it's Romano, and he says, if I remember, 'Eh, Toni, help me out. This Roopy guy, he want to buy Berlusconi's outfit. Is he on the level, or should we feed him to the fishes?' And I just said that Murdoch was okay, like any other businessman, and that he'd always treated me with respect.

Prosecutor 2: Can I just refer you to the transcript of the tape recording made of Mr Murdoch's conversation with Greg Hotel of *The Observer*. In it Mr Murdoch says, 'Me and Tone, we're like that! We can't do enough for each other. I back him, he leaves me the hell alone. He knows that if he offends me I'll make a nose-flute out his didgeridoo! Mind you, the pious little prick does get on my tits at times. Beacon this, beacon that. I'll be bloody glad when old Portillo is back in business. Now there's a guy I can work with!'

'I've never had a sexual relationship with Murdoch! There has been no thongs, no cigars, no cocktail dresses'

Prime Minister: I'm sorry, can we take a break there? I'm feeling a bit faint...●

ANDRZEJ KRAUZE

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The aim of equality has all but disappeared from political debate. Will Hutton sees that as an unnecessary surrender. Richard Wilkinson counts the social cost

The State We Should Be In

Growing inequality is now accepted as inevitable. New Labour believes it is only possible to tackle the problem at the edges. argues that equality remains central

Liberty, equality and fraternity were the great rallying calls of the French Revolution: three simple words carrying the values of the enlightenment into political action and which have underpinned modern western democracies ever since. Yet of the three it is equality that has proved both the most animating and the most controversial.

It was equality that propelled the first challenges to feudalism, establishing the principle of equality of all before the law, including the crown. It was the case for equality that made the extension of the universal franchise impossible to resist. Our public services, in particular the National Health Service, are based on the principle of equality of access. The right to vote; a free health and education system; equality before the law: all are tribute to the need to embed a commitment to equality in our political and social structures if they are to be legitimate.

Equality has thus been one of the great universal values that defines and sustains the left. The propertied and advantaged will appeal to liberty as a value to defend their corner; the disadvantaged will insist on the higher importance of equality. Any healthy western society, of course, requires both values to co-exist if it is to function properly, and part of the continual political engagement of left and right is a jousting over how much each value should be expressed in public policy. We would not want a wholly equal society, something to which the failure of the Marxist regimes is testimony; but we would not want a society founded only on liberty in which equality was wholly disregarded.

Yet one of the dismaying aspects of the current political debate is that the forces arguing for equality have been all but stilled. New Labour talks of promoting fairness and occasionally of equality of opportunity, but no longer of equality. Yet this tepidity in speaking out in favour of its own core value comes just when inequality in all its dimensions – income, wealth, lifestyle, opportunity, education – is becoming ever greater and more entrenched. The capacity of our democracy to respond to this challenge is eviscerated, even as the reality of contemporary life reproaches one of the core values upon which we believe our civilisation is founded. We are all the poorer.

But the left's weakness has not developed in isolation. There is a generalised sense that growing inequality is a fact of life. It is not just that human beings are innately different, it's that the new forces of globalisation and technology are driving the incomes of the skilled and professional classes away from the unskilled in a way that cannot be resisted as in the past. Inequality is no more than Darwinian natural selection playing itself out.

Some carry the stoicism even further. They differentiate between types of equality. There is inequality of outcomes, of incomes and lifestyles; over this nothing, but nothing, can be done. Such outcomes are the inviolable principle of capitalism and byproduct of differential energy, creativity and intelligence. And there is equality of opportunity, where some attempt can be made to alleviate unfairness. Educational opportunity can be advanced with strong state schools. Entrance to university should be based on merit rather than membership of a privileged network. And so on.

But even this distinction is mendacious. Those who are rich can buy their children privileged access to education and careers in Britain in a manner unrivalled in any western democracy. Inequality of outcome in practice opens the door to inequality of opportunity. Inequality is an indivisible and interlinked social fact.

Yet inequality is not an act of god. It is socially produced. It reflects a distribution of incomes that we allow to develop, both before and after tax. The technologies and changes in the world of work that drive inequality have social roots and can be shaped by social and political action even in an age of globalisation – a phenomenon that in any case is grievously over exaggerated. A private school sector as large as that in Britain exists because it is allowed to exist. Inequality has been made by man, and if we do not like the results, it can be unmade by man.

And the results of high and rising inequality are desperate. Richard Wilkinson's article in this issue brilliantly shows how inequality enters the warp and woof of our society, breaking down trust relationships and undermining our capacity to empathise with others. While nobody believes in absolute equality, to give up entirely on the notion is to surrender a key moral, economic and social objective. Inequality undoes social solidarity and thus begins to threaten the exercise of individual liberty, so valued by the right and to an extent by all of us, as society becomes fearful and balkanised. The degree of inequality experienced in the US, and to which the UK is heading, is as dehumanising and destructive as their equal counterparts. We neglect inequality at our peril.

This is because the human experience is essentially social. We do not live as islands; we seek and offer each other's regard as the basic fuel of human intercourse. It lies behind ambition and altruism alike. Love, perhaps the most intoxicating and life-giving human experience, is at heart about the reward from the reciprocity of regard: to love and have the love returned is the ultimate human exchange, whether between mother and child or between lovers. This expectation and need for reciprocity is a more generalised human need; it underpins

'I think one of the tragedies of the Left was that it allowed the term "equality" to really l

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

friendship and trust. It is at the core of our conceptions of social capital without which our societies begin to become unhinged.

The wholly unequal society destroys such capacity for affinity. It so shrinks the common public and social spaces in which human beings interact that it undermines the common language and moral codes we use to understand and deal with each other. Because we can comprehend each other increasingly poorly, we lose the capacity to empathise and to trust. The circle shrinks among whom we seek a good reputation or with whom we seek to exchange regard; we are less and less endangered by anger and fearful of jealousy. We become less capable of being shamed. The ties and expectations of reciprocity diminish. It is not surprising that Richard Wilkinson demonstrates that more unequal societies are those with higher suicide rates, less trust and more violence. All are stress symptoms of inequality and the social ills that accompany it.

And besides these psychological and emotional costs, inequality is also economically and socially inefficient. The unequal society is an unhealthy society with poor housing, high levels of unemployment and social exclusion; it requires high public expenditure to redress these imbalances and disfigurements. The unequal company is one where teams are hard to build and motivation difficult to sustain. The unequal country with its rich city and poor regions finds it hard to grow and develop itself; the structures, institutions and policies appropriate for the rich part are wholly inappropriate for the poor part. The unequal economy is hard to prevent oscillating from boom to bust; its poor members are flung in and of work, consuming extra in the upturn and less in the downturn – and so exacerbating the impetus of both phases of the economic cycle. In short an unequal economy and society is bad news.

SO WHEN I'M ASKED ABOUT SOCIAL SECURITY SPENDING, I'LL SAY ON THIS SIDE WE'VE GOT GRANNY'S PENSION - THAT'S GOOD, AND ON THAT SIDE WE'VE GOT MONEY GIVEN TO NAUGHTY PEOPLE WHO DON'T WANT TO WORK - THAT'S BAD...
RUN ALONG AND PLAY WITH WILLIAM, GORDON'S GOT GROWN UP WORK TO DO.
EDUCATION
HEALTH
ARTS
THE ROAD TO No.10
RIDDELL
CHRIS RIDDELL

Yet at this moment New Labour has accepted a broadly conservative hierarchy of values; liberty ranks first, fraternity second and trailing a very poor third is equality. Its rhetoric is focused entirely on ending social exclusion by pulling the marginalised into 'society', but the inequalities of distribution and opportunity within this wider society are to be left largely untouched. There is to be no effort at promoting equality of opportunity by, say, reducing the privileges of private schools; nor is there to be any adjustment to the current pattern of income distribution through making the tax system more progressive. The language of fighting inequality has disappeared entirely from the public discourse – in part because New Labour judges it cannot sustain a winning electoral coalition by being overtly concerned about inequality, in part because the constituency that cares about such matters is dwindling and uninfluential and in part because the forces creating inequality – from globalisation to changes in the labour market – seem unchallengeable.

This is, of course, a surrender. The politics of optimism of an earlier era has given way to a new politics of pessimism. The best that the state can offer is to help people better to accommodate themselves to a capitalist reality that is no longer to be shaped by public action. It is a philosophy that would never have permitted, for example, the launch of the National Health Service or even the establishment of the BBC; the best that could be offered in today's climate would be some mix of regulation and tax incentives to persuade the private sector to do part of the job, but only if it chose. The creation of new public institutions is off limits. But this is only part of a wider trend in which public action is regarded as self-defeating and necessarily inefficient. The new right's injunction that we have to live with capitalism as it is has become part of the new common sense; liberty and individual choice are values of over-riding importance. We can only act to shore up our society at the margins.

'We cannot give up on reducing inequality. It would be a surrender too far, striking at the heart of the progressive tradition'

This is bunkum. We cannot give up on reducing inequality. It would be a surrender too far, striking at the heart of what the progressive tradition in western civilisation has stood for over two hundred years and longer. The forces that apparently do not admit of intervention are much weaker than the right would have us believe. We can act. It is rather a question of how we act, of finding compelling explanations that the public will accept about why we must act and then building the political coalition that will support the chosen policies.

Consider, for example the emergence of the new overclass. Over the last ten years a class of senior executives and professionals have begun to earn salaries well in excess of £500,000. Half the directors of Britain's top 100 companies earn more than £600,000 for example, and that is before the inclusion of pension and share-option schemes. Top QCs, accountants and management consultants earn similar amounts. When they form two-earner households, the household income can surpass £1 million. With top tax rates of only 40 per cent and the capacity through off-shore trusts and tax avoidance schemes to shelter income even more from tax, this overclass is now wealthier in relation to those on average and lower incomes than at any period in modern times. They no longer feel themselves to be part of the commonweal; every aspect of their lives is privatised – from education through to how they live. They have opted out from all forms of public provision which they justify through the new ideology of choice and self-reliance – and it is these values by which they demand the rest of the community live too, helping to create the climate in which marshalling arguments against inequality becomes so difficult.

Employer organisations argue that this explosive rise in directors' pay is because of globalisation; that there is a new international market for directors and executives that forces companies and banks to pay international rates. But this is only a secondary phenomenon. The international mobility of senior directors is remarkably low – in most British industries, varying from telecoms to food distribution, it is close to zero. The truth is that the explanation for the overclass's incomes is closer to home, and its origins are as much social and political as economic. It lies in the rules of

e a term of abuse about levelling down.' (BBC Radio, 14.12.1995)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

British corporate governance that place no restraint on directors' pay and have allowed the remuneration committees that decide on their pay to have their current character; on the new stress on maximising shareholder value with the associated fear of takeover; and on the increased willingness of directors to ask for such salaries. And if directors come from similar educational backgrounds with a new obeisance to market values, that too is socially produced, as are the relatively high post-tax incomes because marginal tax rates are so low. There is no iron law that in 1998 directors' pay must be as high as it is. Social and political forces have exaggerated a long-standing but hitherto resisted economic trend.

It takes only a cursory glance at the surveys of directors' pay to see how important social, rather than economic forces, are in driving salary levels. The rise in directors' pay is remarkably uniform. Price Waterhouse Coopers, the leading accountancy firm, report that nearly all the top 500 companies in the FTSE 500 pay executives annual bonuses at 50 per cent of base pay whatever the circumstances and performance of the company. And if directors' pay in the top 250 companies rose by 18 per cent in 1997, then the pay of directors in the water industry, for example, also rose by 18 per cent in the same year. There are variations in directors' pay, but they correspond very little to the underlying company performance.

What is happening is that the new remuneration committees that recommend directors' pay are manned by directors from other companies who use their own directors' salaries as benchmarks for salary recommendations. There is no independent checking on what they recommend, nor any process by which their recommendations are put to a shareholders' vote. There is also a general, if largely untested, view that if you don't increase pay by the average then your directors will be poached, or will go elsewhere. As Moira Conoley, a PWC partner, comments: 'There's an awful lot of me-too behaviour going on. No one is looking at what is acceptable, just at what everyone else is getting.'

This in turn builds on another emerging social force; the increasing willingness of those at the top of whatever profession to sell their services to the highest bidder and employers to pay that rate. This is sometimes described as the winner taking all, but the trend extends throughout the top managerial layer. The new creed is to maximise shareholder value, both as an end itself and as a commercial necessity to avoid being taken over and subsumed into another corporate management's hierarchy. Shareholders, particularly the big financial institutions, chase higher and quicker returns and are ever ready to sell their shares to a high-bidding predator; so managements respond by trying to buy those managers who are deemed the best and linking their remuneration to the performance of the share price through share option schemes. Thus they can maximise shareholder value and protect themselves from takeover. It is a gigantic engine driving up the incomes of those at the top: but if takeovers were more difficult, institutional shareholders more loyal, remuneration committees more tough and corporate law demanded a more rounded view of company success than the simple maximisation of shareholder value then the whole process would be less pernicious. But these are social and political initiatives that are deemed impossible.

CHRIS RIDDELL

It is a similar story with incomes and jobs at the bottom. The story again is that economic forces are ineluctably at work, eroding low-skill manufacturing and construction jobs under the pressure of technological change and international competition. But there has been a more than offsetting growth in low-skill service- sector jobs. Some are in the burgeoning security, transport and distribution sectors; some are in the new industries servicing the demands of richer dual income households, ranging from laundry to the home delivery of ready-made meals; and some are in the firms supplying the new downsized corporations, providing everything from cleaning to restaurant services.

The difficulty is not that low-skill jobs have disappeared: it is that their character is often described as female rather than male – and that they tend to be clustered in parts of the country which are already rich. But a major effort could be made to change the sexual connotation that some service jobs carry. Male jobs should not mean solely working in mines and factories; unskilled men can work in stores, restaurants and personal services and interact with customers just as much as women. The education system could do more to equip men with the social skills that many do not possess and which are a precondition for success in the service sector – as well as beginning a process in which men accept a different pattern of career.

And to the extent jobs are unfairly distributed around the country, here the public sector can itself play an important and decisive role. It could guarantee service jobs in health and education, for example, in depressed areas, or it could locate general government administrative functions in unemployment black spots. The government could become a pole of wealth generation around which other service jobs could cluster – but this demands an acceptance of this responsibility along with a willingness to spend. Neither exists.

And this is only a beginning. Without such interventions the trends creating inequality are unstoppable. For example the entry of women into the workforce is a welcome social phenomenon, but again it reinforces patterns of inequality. For households where both partners work – now 55 per cent of the total – can support larger mortgages and pension plans than their single and no earner counterparts. They do disproportionately better from any given rise in house or share prices. Thus those parts of the country which find it hard to support two earner households – typically in the older industrial conurbations – are doubly disadvantaged. Unless there is a determined effort to redistribute work in their favour, with the public sector acting as an employer of last resort, they will fall further and further behind.

New Labour's approach so far has been minimalist. It essentially makes liberal conservative assumptions about what is possible and desirable in terms of the big picture, but allows itself a range of smaller, inexpensive interventions that are social democratic in character. This allows it to face both ways at once. It can reassure the right and Middle England that it will not raise taxes or reduce their privileges such as private education; but it can reasonably square the left by drawing attention to its

'The difficulty is not that low-skill jobs have disappeared; it is that their character is often described as female rather than male'

'Some people will interpret this in a way which is harsh and unpleasant but I think the pr

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

welfare-to-work policies, introduction of the minimum wage and its attack on the interlinked facets of exclusion – education, housing and employment – in the worst pockets of the country. Moreover the comprehensive spending review offers the prospect of some sustained growth in education, housing and health expenditure from 1999 onwards that will allow some progress towards lifting expenditure in these areas towards the European average.

The open question is whether this is a base upon which more will be done in a second term, and whose cumulative impact is underestimated by critics; or whether the economic and political analysis underpinning the whole approach is so cramped and conservative in its essentials that it can never be ambitious enough to address the roots of inequality and will leave society and the operation of contemporary capitalism broadly unchanged. I myself have some sympathy for those in New Labour who are impatient with their critics' refusal to see the innovativeness of some of their economic and social programmes: the working family tax credit will guarantee household incomes of £220; there is a large and potentially revolutionary extension of child care; the reaction to the welfare-to-work programme has been positive; and the drive to improve standards in the worst-off schools is dramatic. All this matters and is a significant and important break with the past.

But as a systematic effort to lower inequality and change the dynamics of British capitalism it will not serve. Mr Blair's commanding position as British Prime Minister now ranks alongside that of Mrs Thatcher or Mr Attlee. The lowering of inequality and advocacy of redistribution requires a political lead which he is in a position to give but does not offer. When Aneurin Bevan launched the NHS he had to incur the wrath of the medical establishment, but he fought them off by a mixture of powerful rhetoric, marshalling support for his cause, and guile, compromising in important ways to bring the doctors and consultants into a new coalition that would support the new health service. It is hard to imagine New Labour being as effective today. But if inequality is to be lowered we require a similar determination and clear-sighted vision; there will be important compromises, of course, but without a willingness to advocate and argue the principle we are not at first base.

Nor is the programme as it stands bold even within its own terms. It is not clear that the welfare-to-work programme will be extended into a second term for lack of funds. There promises to be no commitment to raise marginal tax rates for the better-off. The projected rise in public spending is based on negligible growth in the real pay of teachers and nurses, despite chronic and growing shortages. Education spending as a proportion of GDP will still be lower at the end of this parliament than it was in 1990. No initiatives are planned in corporate law or corporate governance. The financial system is to remain unreformed. The quest for shareholder value as a fundamental company objective remains unchallenged. The growth of social security benefits are to remain pegged to inflation and not to real wage growth. And so on. If there was to be any real determined attack on inequality there would need to be some movement on some, if not all, of the following fronts:

a) Corporate governance, stakeholding and the financial system. The weakness and lack of accountability in setting directors' pay is the tip of the iceberg. No movement to a more social democratic, long-termist capitalism is possible without a major reform of company, banking and trustee law. Takeovers are too easy, and the regulatory, tax and accounting framework which favours them needs to be reviewed.

b) Regulation and public enterprise. Privatisation is not a panacea, and there are some areas of the economy where the idea of public enterprise is appropriate and needs to be championed. Regulation has been disappointingly weak, and should be extended, hardened and democratised. Price fixing is far too prevalent, and the price of the typical basket of goods paid for by the poor is disproportionately high in relation to underlying costs.

c) Educational opportunity. The private schools dominate the education system, and their continued strength denudes state schools of a critical mass of able middle class pupils and generates an educational apartheid in which the state sector is defined by poverty of resources and ambition. If private schools as centres of educational excellence are not to be abolished, then their intake needs to be greatly transformed so the majority of their pupils are from poor or modest backgrounds, with the state paying the fees. This is a true public-private partnership.

d) The old age pension. The basic state pension is inadequate even though, as the government's chief actuary concedes, it could be higher without provoking a major financial problem. On OECD figures Britain's public accounts will move into structural surplus over the next twenty years largely because of the continual meanness in the uprating of social security benefits, notably the old age pension.

A higher old age pension is affordable; it redistributes from rich to poor; is taxed when added to other forms of pensioner income; and is a basic citizen's right. The obstacle is not financial or an ageing population; it is political will.

e) The universal welfare state. Universalism and social insurance should underpin the social security system, but contributions could be adjusted to offer higher benefits for those that pay for them. Unemployment benefit, for example, should be restored as an unconditional payment for up to fifteen months, with a multiplicity of rates in a tiered contribution system offering higher benefits for those that choose to pay more. After fifteen months a new obligation for job search and training should be invoked, with the state offering a job guarantee as an employer of last resort. The principle of tiering contribution rates within an universal system could be extended to health and pensions. Social security benefits should be uprated in line with wages rather than prices.

f) Public borrowing and the private finance initiative. There is too little inbuilt flexibility in fixing the level of public borrowing, and the insistence that so much public capital investment is funded by the private sector paradoxically raises costs, limits investment and generates inequalities. Privately funded hospitals have fewer beds for the chronically sick and more pay beds; privately funded roads tend to be in areas which are rich and where drivers will pay tolls; privately funded universities must necessarily maximise the numbers of fee paying students. The most efficient and equitable means of funding public sector investment is by the issue of public bonds, and the government should feel less frightened of so doing. The PFI should be used only selectively rather than as a general principle of public finance.

g) Taxation. Marginal income tax for the rich is too low, and the payment of taxes on capital gains and wealth is largely voluntary. No social democratic regime or programme of reducing inequality and opportunity is possible without change, making rates more progressive and closing down loopholes.

h) Media, sport and culture. Sport also suffers from the roll-back of any commitment to redistribution. Television receipts in football, rugby, tennis etc should be redistributed into the core game, and regulation should ensure this takes place. The viewing of key sporting events should be available to all.

i) The international dimension. Hedge funds and destabilising short-term capital flows require regulation and supervision. There needs to be new international financial architecture, involving everything from the establishment of a new World Financial Authority to wholesale reform of the IMF. Moreover international inequality is no more tolerable than national inequality and poorer countries require transformed access to hard currency to finance much needed imports, along with debt relief.

The government cannot act in these areas simultaneously; but it can begin to move in these directions and argue in these terms. In his recent pamphlet on the Third Way Mr Blair insists that as a revisionist he wants to renew and modernise social democracy. He must do just that. Social democracy is not just about helping the weak to cope with capitalism; it is about reforming capitalism so that it does not destroy the human and moral values without which not just capitalism but life itself becomes purposeless. The acceptance that absolute equality is an impossible goal does not mean that we have to accept unacceptable levels of inequality. We look to our social democratic leaders to make this argument. So far they have not, and British politics and society is the poorer for it.●

'Is Labour's whole approach so cramped and conservative that it can never be ambitious enough to address the roots of inequality?'

here is to say: yes, it is right to be intolerant of people homeless on the streets.' (Big Issue, 01.1998)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Why Inequality Is Bad For You

Unequal societies have poorer health, more violence and less self-esteem. There is plenty of evidence, argues , that egalitarian societies are both happier and healthier

It is not the richest of the developed countries but the most egalitarian which have the best health. There are powerful connections between the scale of income inequality and population death rates. As many as 20 papers have reported this association using international data and data for large areas within countries – such as the 50 US states or 282 Standard Metropolitan Areas. As well as cross-sectional associations, changes in income distribution have also been found to be related to changes in death rates. These relationships have withstood controlling for variables such as GNP per capita or median income, absolute poverty, expenditure on medical care and smoking. Against the 20 papers confirming this relation there are only two which do not – and both of them used the same data set.

The most important thing about this relationship is what it tells us about how social structure affects subjective welfare. That is more important than knowing how to add a few years to average life expectancy. The crucial determinants of population health and of health inequalities turn out to be less a matter of medical care or the direct effects of exposure to hazardous material circumstances, as of the effects of the social environment as structured by social hierarchy. Increasingly it looks as if the most powerful influences on population health in the developed world are psychosocial. For example, health worsens before people become unemployed, when redundancies are first announced and people start worrying about their future. The three-fold differences in death rates between senior and junior civil servants working in London offices (almost all of whom would call themselves middle class) are most strongly related to psychosocial variables such as the amount of job control they have. Research into the effects of social hierarchy among monkeys shows that low social status has many of the same physiological effects as are found among low status civil servants – even when the social status of the monkeys is experimentally manipulated and diet and environment are controlled. It is hard to explain the biological results as reflecting anything except the direct effects of low social status itself. Health inequalities therefore are not simply the direct result of material factors like bad housing and diet. Instead, low social status leads to chronic anxiety, permanent increases in levels of stress hormones such as cortisol, more atherosclerosis, and poorer immune systems. In many ways the end result is analogous to more rapid ageing.

The most important reason why more egalitarian societies are healthier seems to be that they enjoy a better quality of social relations. In my book *Unhealthy Societies: The Afflictions Of Inequality* (Routledge 1996) I showed circumstantial evidence that societies which were unusually egalitarian and unusually healthy were also unusually cohesive. Similarly, Robert Putnam, in his study of the strength of civic society in the Italian regions, noted that his index of civic community is closely correlated with income distribution and said that more egalitarian social attitudes are 'an essential feature of the civic community'. Since then measures of social relations such as the extent to which people trust each other in different US states, levels of hostility in different cities and rates of homicide and violent crime have all been shown to be strongly related to the extent of income inequality. The relationship with homicide is particularly robust: a meta-analysis of some 34 studies shows that homicide and violence are related to income inequality over a wide range of conditions.

An overview of the epidemiological evidence suggests that health is related to income inequality because wider income differences result in a general shift in the nature of social relations throughout a society: not only lower levels of trust and more hostility and violence, but also lower levels of social support, weaker social networks and almost certainly more domestic conflict as well. There seems to be a 'culture of inequality' which is less supportive, more aggressive and macho – or 'laddish'. Although its effects are widespread, inequality seems to have a particularly dramatic effect on violence, accidents and alcohol-related deaths.

A close interaction between income distribution and the social environment could not fail to have a powerful impact on health. As many well-controlled studies show, two of the most powerful influences on population health in developed countries are social status and the quality of social networks. But in an important sense, social status and social relations are probably opposite sides of the same coin. Friendship is about mutuality, reciprocity and a recognition of each others' needs. Social status, at least in the form of animal pecking orders, is about differential access to resources based on power and coercion regardless of each others' needs. Interestingly, Putnam refers to the relationships between equals which contribute to a strong civic community as horizontal and contrasts them with the vertical patron/client relations up and down the hierarchy in less civic places. Similarly, among non-human primates there is also a clear contrast between the horizontal alliances or friendships and the vertical social ranking system. Animals form grooming alliances, incurring obligations of reciprocity, which serve to protect or improve their position in the social hierarchy.

The recognition that inequality is inimical to friendship is of course not new. Plato said 'How correct the old saying is, that "equality leads to friendship"! It's right enough and it rings true...' Indeed the connection is so taken for granted that the Cambridge Scale for classifying occupations by social status works by asking a sample of people their own occupation and the occupations of their friends. They are then hierarchically ordered on the assumption that occupations among which friendships are common have a similar social status whereas the absence of friendships indicates large differences in social status.

To understand the core social processes involves identifying the most ubiquitous sources of chronic anxiety related directly to low social status. We need to explain how greater inequality (presumably reflecting a strengthening of the hierarchical dimension of social relations) generates both recurrent anxiety and more aggressive social interaction.

In addition to its sensitivity to social status and friendship, health provides a third pointer to the underlying processes. This is the powerful influence which early childhood emotional development has on health in adulthood. Emotional trauma, domestic conflict and poor attachment cast a long shadow forward over health in later life. Much the most plausible interpretation is that friendship, low social status and early childhood experience point to the same issues of insecurity, fears of personal inadequacy and inferiority. We use these same words to talk both about the results of poor early emotional attachment and the effects of

'No one but a fool would excuse crime on the basis of social conditions.' (Brighton, 30.9.1993)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

inferior social status. Not only do they both lead to higher basal levels of stress hormones such as cortisol, but it is also clear that early emotional insecurity increases our vulnerability to the status insecurities generated in relation to the social hierarchy. Whether or not we have friends reflects the same underlying issue of confidence: friends feed back feelings of acceptance and belonging, they validate and confirm our personal adequacy; their absence leads to feelings of inadequacy, self-doubt and rejection. Income inequality not only dramatically exacerbates status problems, cutting more people off from the normal sources of status and respect, but, through the strains which relative poverty imposes on domestic life, it also increases the number of people made vulnerable by growing up with domestic conflict.

Central here is the emotional complex involving a sense of inferiority, lack of confidence and shame which Scheff called the 'deference-emotion system'. Thomas Scheff notes 'there has been a continuing suggestion in literature that shame is the primary social emotion, generated by the virtually constant monitoring of the self in relation to others'. In part this echoes Goffman's assertion that embarrassment plays a prominent role in every social encounter, and Darwin who, in his chapter on blushing (and its relation to shame) asserted that it 'depends in all cases on... a sensitive regard for the opinion, more particularly the depreciation of others'. In the same vein, Paul Gilbert has suggested that 'shame' is distantly related to an evolved 'submission' response of subordinate animals to superiors in the social hierarchy. In that the social hierarchy presents itself as an ordering of human competency, from the most competent at the top to the least competent at the bottom, the approach also fits well with the findings of Sennett and Cobb's (1973) study *The Hidden Injuries Of Class*.

Scheff explains: 'shame involves painful feelings that are not identified as shame by the person experiencing them. Rather they are labelled with a wide variety of terms that serve to disguise the experience of shame: having low self-esteem, feeling foolish, stupid, ridiculous, inadequate, defective, incompetent, awkward, exposed, vulnerable, insecure, helpless. (These terms) occurred only in contexts (which) involved a perception of self as negatively evaluated, by either self or other – the basic context for shame... In these instances, the negative evaluation of self appears to cause so much pain that it interferes with the fluent production of thought or speech, even though the pain is mislabelled.'

It is the unacknowledged or repressed nature of shame which 'explains how shame might be ubiquitous, yet usually escape notice'. Scheff suggests that unacknowledged shame also leads to anger in a 'shame-rage spiral'. 'As humiliation increases, rage and hostility increases proportionally to defend against loss of self-esteem.' '...hostility can be viewed as an attempt to ward off feelings of humiliation (shame) generated by inept, ineffectual moves, a sense of incompetence, insults, and a lack of power to defend against insults'. This ties up closely with the literature on violence which suggests how frequently it is triggered by people feeling they are being disrespected. James Gilligan, a prison psychiatrist for 25 years, says in his book on violence 'I have yet to see a serious act of violence that was not provoked by the experience of feeling shamed and humiliated, disrespected and ridiculed, and that did not represent the attempt to prevent or undo this "loss of face" – no matter how severe the punishment.' Descriptions of street violence have made much the same point, and the centrality of disrespect explains the link between violence and greater inequality as people are denied access to other sources of status. It would also appear to provide a way into understanding evidence suggesting that greater inequality is also accompanied by more discrimination against women and scapegoating of minorities as those at the bottom try to reassert themselves over those more vulnerable.

What is at stake is the way a more unequal, more hierarchical, society increases people's sense of inferiority, shame and incompetence. The social determinants of health bring together the psychological literature emphasising the importance of early childhood with the sociological literature on social stratification. But rather than the importance of the social environment allowing us to ignore material inequalities as some would wish, the implication is quite the reverse: the statistics show that around half of the differences in violence, social cohesion and life expectancy between societies is determined by differences in income inequality alone. Rather than the psychosocial taking us into individualism, it shows instead that the psychosocial welfare of the population is determined by structural factors. Indeed, because the social environment is built on economic foundations, what this means is that we have a potent policy handle on the real social quality of life. Nor is it a matter of gaining a utopian total equality: the evidence comes entirely from analyses of the importance of existing differences in inequality between and within developed market democracies.●

CHRIS RIDDELL

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

New Labour has done much to deliver on its promise of constitutional change. But its failure to rethink the nature of the British State could prove a fatal flaw

Breaking Up Is Hard To Do

Scotland's slide to separation will expose the democratic failings of Labour's constitutional reforms, argues

'Never was it better than in its end' is a famous and moving historical verdict, the one made by Walter Scott in his popular history of Scotland, *Tales Of A Grandfather*.

Scott was speaking about the 1745-6 Rebellion, ended at the battle of Culloden. Although Scott was a Hanoverian unionist, thoroughly convinced that it was all for the best (etc), he was also of a larger mind and sensibility, and conscious of something lost. In this, he was (incidentally) just like all the greater spirits of the Scottish Enlightenment, a much misunderstood movement whose contradictions have of late been too glibly reduced to the over-general terms of progress, or abstractly advancing reason.

The fertile creativity of the Edinburgh philosophes was, in fact, also based on profound anxiety, on the worried and divided consciousness thrust upon them by the conditions of post-union Scotland. What are the costs – and especially the human costs – of advancement, 'civil society' and the wonders of free-trading commerce? The inner nature of sympathy (or, as we would say today, community or solidarity) was the key problem for Smith, Hume and Adam Ferguson – not the nature of equilibrium, the fate of profits, or other recent economic fetishes.

Scott thought that the terminal episode of clannic-national culture showed it in a better light than many others in the preceding centuries. Hence it was best that it had blazed up one last time, and shown what extended kinship, 'loyalty', mythic blood-lineage (and absolutism) could be like – the visible hand of ancient custom and social cohesion, as it were, from which Smith's supposedly 'invisible hand' was beginning to take over.

It is a verdict that often recurred to my mind over the past year, seeing the events following on from Tony Blair's electoral victory: the return of Hong Kong to China, the concession of some self-government to Wales and Scotland, the achievement of a peace agreement in Northern Ireland, and even (though in a very minor key) New Labour's gestures towards London and other regional governments in England itself. Finally, Foreign Minister Robin Cook succeeded in ending the Rushdie affair by an agreement with Iran: an honourable story of the old state was concluded in the same fashion.

None of these was reducible only to terms of political calculation and economic constraints. And in that sense it can be said that nothing became the empire as well as these episodes of its ending. Of course, all sorts of accidents and lowly motivations also came together into them. But of which historical moment could this not be said?

Nonetheless, it was enormously and finally better that they happened than that they didn't. Hong Kong could have been just 'handed over' with no rearguard action on democracy; the stick-insect rigidity of Tory Unionism might have been maintained over Wales and Scotland; the war might still have been going on in Ireland; Lord Archer might be sitting in his penthouse writing another novel, instead of campaigning to become Mayor of London.

It can even be argued that these incidents demonstrate some merits in the much-mocked and reviled British Constitution. They were carried out with speed and determination, by a power quick on its feet, and undetained by any apparatus of juridical restraint or formal approval.

The changes didn't have to be squared with constitutional sacred scrolls, since in the United Kingdom there are no such scrolls, tribunals and over-arching principles. I speak as a Charter-88ist, unshakably in favour of scrolls and written constitutions as the real guarantees of democracy. However, in this case no government could have both acted like that and tried to set up a new constitution at the same time. So it just had to act by the old rules of Parliamentary Sovereignty. It did so expeditiously and with the confidence deriving from a huge party majority. And fortunately these worked: for a moment, I suspect, for one last moment. 'Flexibility' and empirical bravado got away with it, to allow a great forward movement.

However, the past tense must now take over. We're sliding back into it day by day. Some things are, by nature, once and once-only, and I suspect the year 1997-8 was like that. The Blair government's rhetoric rolls ever onward, certainly: radicalism without end, modernisation, innovation and bestowal of power upon the people. But I take it that our task here is to try and see beyond that.

Beneath the veils of youthism and hyperbolic incantation there are real currents of a different sort, already reasserting themselves. Something of that was shown in the weird convulsion accompanying Princess Diana's death and funeral. Another country stirred then, an undreamt-of *pays réel* beneath the starched tapestry of the Windsor-Westminster *pays légal*. But it was quickly brought to heel. Blair had the instinct to sense it; and then, literally from one day to the next, to produce the reflex-

'I want Britain strong. I want the United Kingdom strong... Strength will come from ref

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

es that would calm and ultimately suppress it. A year on, Windsors and *pays légal* are back, though still recovering from shock: saved, if not redeemed.

A week after Diana's remains were convoyed up to Althorp, Scotland voted for home rule. Actually they voted twice – once for a government and a second time to pay for it, or pay more for it if requested.

There was something just a little ominous about that. It was not what the government expected, although this did not prevent Blair from dashing up to Edinburgh after the votes and thanking everyone he could find in Edinburgh High Street for their support and confidence in him. What he expected was gratitude, and continuing Labour overlordship in a devolved country. Nothing unreasonable about such thoughts; but they were quickly proved untrue.

Six months later the Scottish National Party had almost overtaken Labour in voting intentions. Ingratitude had taken over, and since then it has attained very surprising proportions. The most recent soundings have indicated that there may now be a majority of Catholic voters supporting the nationalist programme, ie not just contemplating voting SNP, but also voting for independence in any subsequent referendum. To many in Scotland this was slightly, but only slightly, less astonishing than hearing that the Reverend Paisley was on his way to Rome and taking Holy Orders.

It must be recalled that the Catholic working-class electorate of western Scotland was the keystone of Labourite strength, a formidable, traditional combination of proletarian resentment and deep distrust of nationalism, both as 'tartan Toryism' and as too Protestant by half.

It was also linked at a more intellectual level to a certain style of universalism. In the 1970s a partly immigrant (Irish) community still felt more trust in Britishness than in a 'parochial', stand-alone future. This rejoined the other, 'Orange' heritage of lower-class militancy in the Glasgow conurbation. Hostile to one another in faith and in football, these traditions had been relatively united in their anti-nationalism.

Some Protestants loved Britain because they regarded it as theirs; and many Catholics put up with it as a defence against Orangeism. The motivations were quite distinct, but the result was uniform: a diffidence or outright working-class hostility towards politicised nationalism, and a consequent endorsement of Labourism.

No longer. If the architrave of support for Britain is collapsing in this way, everything will change. I think Norman Davies has put it very well in a recent *Sunday Times* article.

'As Napoleon said of Waterloo, ground can always be recovered, but time never. Devolution pursued in the 1970s would still have caught the breeze of post-war British patriotism. But delayed for quarter of a century, it is being reinstated on less favourable ground. Confidence in a wide range of British institutions is eroding fast... The auguries are not good. If the United Kingdom can reach its tercentenary in 2007, its supporters will have good reason to feel mightily pleased.'

James Callaghan's legislation in 1979 rested upon what seemed an eternal class foundation, in both west Scotland and the Welsh valleys. Then came Thatcherism, and the tidal wave of Stuart Hall's 'regressive modernisation'. By 1997 the underground foundation had largely gone, and with it what had appeared the comfortable certainties of informal British-style devolution. Self-rule was now deliverable, but not to the same countries. A different current was now running through them; and in Scotland especially, it was no longer that of enlarged local government or regional autonomy.

SEAN SMITH

No6 Bobbies On The Beat

During the whole period from the mid-80s up to 1997, a movement of resistance to Thatcherism, neo-liberal economics and the insensate constitution of London had gathered strength. Its best known forms were the Scottish 'Claim Of Right' in 1988 (signed by nearly all the Scottish Labour MPs now at Westminster) and the Constitutional Convention derived from it, which did most of the work that finally issued in the 1997 White Paper, *Scotland's Parliament*.

At the time all this was normally reported primarily in terms of its disunity. Nationalism had no press worth speaking of, in either Scotland or Wales. Both the metropolitan press and the broadsheets in these countries were disparaging of such changes. Even when *The Scotsman* and *The Herald* supported devolution they did so in extremely canny fashion, always focusing on disputes, resentments and the containment of nationalism. Salvation of the Union remained their leitmotiv. Thus a fairly profound shift of consciousness was presented mainly as one never-ending dispute among parties and personalities.

This meant the change was consistently underestimated. On a deeper level, such arguments can now be seen to have had a comparatively small impact on Scottish public opinion. The politicos and experts quarrelled volubly over devolution versus independence; but much of the audience was less bothered – what they perceived was a general, wider movement in the direction of 'looking after our own affairs' or (as is now so often said) 'nationalism with a small 'n''.

This was what had been most lastingly fuelled by Mrs Thatcher's English-accented 'radicalism'. The phenomenon was plainest in her wilder divagations, such as the poll tax. But actually a great deal of what she did and how she did it was unintentionally and unremittingly pressing on a far deeper and more ancient nerve of resentment. She was hated in the rest of Britain also (as the poll tax mutiny showed); but among the

'ength won't come from isolation.' (Blackpool, 29.9.1998)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Scots there was a particular rancour connected with history, and equality.
No apology is needed for emphasising the last idea in the present context, where Richard Wilkinson is presenting such a profound re-estimate of its deep political significance. In Scotland it is something that cuts to the profoundest common nerve – into the quick of a constantly imagined community. The Scots, the Welsh and the Irish unionists were always much more consciously supportive of the UK than the English, who have largely taken it for granted.

The North Britons, in particular, had viewed Britain and Empire as partly their doing – sometimes even, in moments of self-delusion and euphoria, as mainly their doing. But linked to that was always an ideal of partnership: to be acknowledged as equals in a collective sense. Only in the rarest cases were assimilation or disappearance contemplated.

However, such aspiration was also chronically frustrated. The frustration was constitutional, not a matter of moment or mood. It lay in the very nature of 1707's historical deal between vastly unequal entities, and manifestation of it had been for generations concealed by the absence of collective voice.

Modern political norms can, of course, sustain much greater real inequalities (and indeed are built upon doing so). In the United Nations, for example, the government of China (1.1 billion) treats that of Andorra (55,000) as 'equal' according to familiar rules. So do federations and confederations of different kinds, albeit with varying measures of success.

However, all such systems rely on the self-government (most often, on the 'independence') of the subscribing polities in order to function. The United Kingdom is not such a system. Its early-modern character has relied on political unitarism sutured to persisting 'social' (ie national) differentiation: total (undivided) Sovereignty of the centre conjoined with non-assimilation of its peripheries.

But non-assimilation has meant quite varying things in these assorted territories – compare, for example, the fate of Protestant Northern Ireland with that of the de facto independence of Jersey and the Isle of Man. In Scotland what it implied was that national identity was held 'in suspense', in an almost chemical sense of the phrase, for over two centuries (from 1746 until the 1960s).

The era since then has generally been put down as 'decline', and analysed in primarily economic terms: a narrow 'historical materialism' of the right, as well as of the left, has perceived the fall as that of 'manufacturing', GDP per capita, share of world trade and competitivity. I have argued elsewhere that in a wider-angled political perspective it can also be seen as the period of 'local government mania'. All Union regimes since the mid-60s have been obsessed by one preposterous conviction – that reforming local government and administration might somehow rejuvenate and modernise Great Britain. As is now clearer, the real aim of such cut-price, small-beer modernisation (though I suspect it was probably very costly in practice) was to avoid structural or mainframe change – that is, to maintain Westminster Sovereignty while simultaneously enhancing the appearance of a primitive system by (I feel my fingers rebel before the sacral phrase) 'bestowing more power on the people'.

Beware of he (in this case also she) who bestows. The one thing that Scots cannot stand is being given anything. There was a comical illustration of this not long before New Labour's electoral triumph. Some here may vaguely remember, or at least have heard of, an incident almost half a century ago, when a small group of student *exaltés* stole the Stone of Destiny from the Royal coronation chair in Westminster Abbey. It was returned not long after, and the present Queen duly sat on Scotland to be crowned in 1953. But what counted most in 1950 was the profound popular glee which accompanied the prank among Scots. For all its absurdity, it stood for doing something, and doing it to get even.

Yet at the end of John Major's premiership, when his Scottish secretary had the bright idea of formally returning the Stone to Edinburgh amid much heraldic pomp and plaid-clad trumpetings, the popular response was wholly different. It turned out to be indifference verging on hostility. Secretary Michael Forsyth was no fool politically, indeed many think he was the most able holder of his office in modern times. And yet he had ended up misjudging the very foundation of that power – an identity whose configuration is that of endemically frustrated *égalité*.

Forsyth miscalculated the time. And Davies is right to echo Napoleon here: timing can be all – and in the case of the 1997 Scotland Bill, it was simply too late. In 1979 Union structures might still have been robust enough to make 'devolution' work, at least for a while (conceived of course as an extension of local government). But 18 years later, a profounder identity-current had been set in motion which was bound to 'take it farther', even before the ink had time to dry on the new legislation. The Scottish institutional bourgeoisie, once the mainstay of Union, had embarked at last upon emancipating itself. And what the broader electorate (Catholics included) now support is essentially that movement – the process, as it were, rather than the circumscribed autonomy-formula so far 'given' from London.

The reason voters are supporting Nationalist politics (and making the small 'n' upper-case) is that this guarantees the continuation of an egalitarian movement under way. The latter was for long 'in suspense', taking chiefly the form of grumbling resentment and gestural protest. Now it has become reactivated, and focused in socio-cultural terms.
Such forces are 'not just ideas' – this is 'historical materialism' at work. 'Material' (that is) with the sense of effective, cumulative, difficult to reverse and seeking for (or deploying) power. In modern times it has found primary expression through the societal dimension of nationality. Although symbiotic with the other socio-economic factors also constitutive of modernity, it was a mistake to award the latter so much priority. That error was probably a side-effect of the 'primitive' (pre-informational) industrialisation of the 1750-1980 era, which always tended to elevate what were really only necessary conditions of collective emancipation into sufficient or 'determining' ones.

'Devolution pursued in the 1970s would still have caught the breeze of post-war patriotism'

In Scotland the catalyst of a more effective nationalism was provided by the instant of unity between the Labour Party and the SNP during the referendum campaign. It showed 'the country' (or most of it) apparently acting as one, for the first time since the 18th century, and getting away with a good deal more than pinching the Stone of Destiny.

This is why there was (I suggested earlier) something ominous about the second, taxation vote. It was not meant to be like that! Blair intended it as a 'think again' reminder that nothing is given away for nothing. The expected wide discrepancy between supporting 'home rule' and readiness to pay for it would have strongly confirmed the limitations of the former, and also its settled character. But actually the gap was so small it settled nothing. As with Forsyth's donation of the stony heirloom, the timing turned out to be hopeless.

Even the fortunate actions I began by discussing were, in a sense, at the wrong time. For the British constitution they came too late. And also, they were done by a government still far too much in the grip of the neo-liberal past. The iron of Thatcher had taken too strong a grip over its soul. By the time any left-of-centre regime works free of that incubus, it will probably be too late for the United Kingdom. The last window of opportunity for an effective re-constitution of all-British statehood was the one now shutting down – as Blair's government moves more plainly towards delay and postponement, and places the retention of power before its reform.

Even this neo-conservatism will remain dressed up as 'radicalism', naturally. I think we must resign ourselves to that going on for a long time yet. New dynamic, 'white-hot' Britains have been in the mail-order catalogues since the 1960s, and repose now in the 'bargain reduction' sections at the end. During the Stygian dyspepsia of the John Major years, people had just forgotten about them.

Today, however, such eruptions are falling back upon the landscape of long-standing resignation and retreat catalogued in Mark Leonard's Demos pamphlet, *Trademark Britain*. Thatcherite entrepre-

'When we have devolved power to Scotland, with PR; to Wales, with PR; to Northern Irel

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

neurialism had its successes, although more in the deep south than the north. But it had little effect upon the deeper-set patterns of attitude and identification formed across previous decades – by, for instance, the disintegration of the Monarchy, the long conflict in Ireland, the perennial uncertainty over Europe and – most important by far – the subsidence of the old ruling class. It is arguable that the latter has been the authentic 'decline' of the United Kingdom – and also, that it explains a good deal of the so-called Blair 'project'.

The '-ism' of New Labour is at bottom a will-driven substitution of cadres: the determination of a party-fostered creed and apparatus to assume the role of an unmistakably ruined and dated elite. Hence its curious regimentation, its worship of public relations, and its rigid style-obsession. It is now behaving like a civil army with a State to regenerate, and not merely an administration to conduct. There are an awful lot of Scots in the general staff, I know. But what this reflects is the tradition of many dead generations – since around 1750 in fact. The Scots always took 'Britain' with greater self-conscious seriousness than the English, and it is in no way surprising that they are so prominent in the intensive-care ward – labouring to repair the damage caused by the Thatcher heart attack, as it were.

It was she who did most to undermine and demoralise the old class, and also the Conservative Party to which it had remained most closely integrated. By 1997 little but debris remained of these once-great instruments of rule. Yet had they not always been the informal 'secret' of the United Kingdom constitution? The famous unwritten nature always depended upon a fairly cohesive and dominant social stratum, capable of operating via different political parties. Its underlying unity – including its trans-national 'Britishness' – was symbolised by the Royal Family. And its final status-collapse and decay under John Major defined the very vacuum which New Labour had to fill.

The immediate effect of the latter's effort was, nonetheless, to open a window of opportunity – that last flourish I began by describing, and in a way admiring. Blair began by opening this window wide, and some birds flew out. The most important was his enabling of the peace process in Ireland, and the emergence of a form of civil self-rule in its Northern jurisdiction. In conjunction with the deep alteration of Irish Republican attitudes linked to economic development and successful Europeanisation, this may have created the basis for a long-term, democratic resolution of Ireland's ancient quarrel – via forms of civic nationality-politics, rather than through the ethno-linguistic inheritance which had dogged it for so long.

However, what he has not done is equally or even more significant. New Labour has not set about reforming the house in which the 'window of opportunity' was suddenly disclosed. The British Constitution has been the subject of bricolage, not the kind of radical overhaul which Anthony Barnett has argued could have been done, both here and in his book *This Time* (Vintage 1997).

As things are, what we see here is a growing wish to sidestep this key issue – to Carry on Ruling (if a confessedly cheap jibe can be forgiven), with some 'appropriate' modifications here and there, as time and circumstances permit. In that great epiphanic phrase of the 1950s, things are now lapsing steadily backwards into... 'Events, dear boy, events!'

Launching a core-constitutional reform along Charter 88 lines had insufficient motive power behind it. It simply could not be made into an over-riding priority, because the English majority was not behind it. Anthony Barnett has suggested that majority public opinion was in truth far more open to radical change than the government believed, and he may be right. But that openness had not, or had not yet, found a national-identity mode of expression – a popular-cultural voice capable (in the traditional terms) of being 'mobilised' for state-mutation.

I think Barnett was right to devote a lot of space to the Diana episode in *This Time*, for in a sense the deep-structure flow was indeed settled by that one week in September. The ghost of revolution had materialised, and then de-materialised again. And perhaps the opportunity-window had, even then, begun to close.

It was too late to reform Ukania effectively – and yet, too soon for England to do so on its own account. Scotland has moved towards constitutional reform on its own account, Wales is following in the same direction, and Northern Ireland has been forced into a different version of self-government. But England remains three-quarters identified with 'Britain', believing (or half-believing) that the same inertia will continue to prevail on its peripheries.

For 18 years, from 1979 until May 1997, the English majority had been reassured – with much heavy breathing – about The Greatest Constitution in the world, the Mother of all Parliaments, the Monarchy which simply needed a few modernising touches, and a mystic-national Sovereignty to be defended against European or any other foreigner-meddling. Far too much of that had stuck, too, alongside the neo-liberal astrology and market-madness. It could not be undone in a few months. The territorial English (ie natives plus immigrants) are still weighed down by it.

Yet in less than a year the New Ruling Class has run into the twilight of all these creeds together. AJP Taylor wrote of the Hapsburgs that their only real aim was 'to survive in grandeur'.

But in doing so they never attained the present Windsor stage of a synthetic public-relations elite, with a 'Project' made up of globalisation-gas, astrological Third Ways, think-tank wheezes, ceaseless style-war manoeuvres and – for graver constitutional issues, like forthcoming rows with the Scots – a specially-appointed Judicial Committee of Her Majesty's Privy Council.

'Events, dear boy, events': on the constitutional front above all, they are now piling up in front of a government which has begun to tread water. But it does so amid profoundly conflicting currents, which it is merely pretending to master. The neo-elite lapses deeper every day into the complacent pragmatism of its historical predecessors. A traditional yet alert empiricism allowed it to make the emancipatory moves of the first year; but that same empiricism may soon paralyse it in the face of the more structural tests which lie ahead. The very things which made it so promising could then end by making it break all promises, and end up clinging to authority like the 1990s Conservatives. It has to combine managing devolution (but managing breakdown would be more accurate) with a re-entry into the much changed Europe of the common currency. Amid these deeper mill-race waters, profounder issues of both statehood and identity will be posed to a regime which has not obtained a correspondingly profound hold over the allegiance of its overwhelming majority. That is, over the 80 per cent which is England, the core rather than the periphery.

'There may now be a majority of Catholic voters not just contemplating voting SNP, but also voting for independence'

One likely escape route from the dilemma is populism. Blair's government spends much time calculating its chances at the election after next, against a parliamentary opposition which appears derisory. It is actually calculating its chances against the people, rather than its party foes. Does it need the Liberal Democrats or not? It used to think so, but this is now doubtful. If it can (in Brecht's phrase) 'elect a new people' to fit the new elite, then that would be a lot better. Parliamentary adversarialism was in decay anyway, as a device of the former ruling stratum. But constitutional reform alone could have ensured its replacement by a more advanced democracy. Without that, it could slide into a strange new version of Britain's twentieth-century substitute for adversarial rule – 'national government'.

This new 'natural party of government' would then elect its nation/people by a continual public-relations onslaught, punctuated by occasional plebiscitary exercises demonstrating the oneness of power and people: renewal in grandeur every five years. Such a tendentially national regime would in time (perhaps not such a long time) end up simply as the English state. There would not be the slightest chance of Scotland remaining part of such a revamped ancien regime.

Populism is a close cousin of nationalism, and in such circumstances would lapse into it. There is no harm in that – except that it would surely have been far better to arrive there along Charter 88's route, through constitutional reform and agreement, rather than via the pattern of accident and omission which seems now to be overtaking the Blair government.●

th PR; I find it odd that I'm called a control freak by the Lib Dems.' (Blackpool, 29.9.1998)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

All Power To The Citizens

Reforming institutions of the State has been a key part of New Labour's programme. But believes that its failure to provide a written constitution will be its undoing

New Labour is a clear and qualitative improvement on the decades of Tory rule. It is also far more effective than the Labour governments of Wilson and Callaghan. Yet it is going wrong in a way that it need not, and the feeling that it may all end in tears is justified. Those who say that the Government should 'do more' have missed the point. Of course it can do more, but at least it is doing something about many of the problems inherited from decades of misrule. Any analysis of the emerging character of Blairism needs to explain its remarkable capacity for positive achievement, from Ulster to Rushdie to the EU; from increased public spending and the attack on social exclusion to better health care. The issue is one of overall direction – of the way Britain is governed. And here, to identify why Labour is taking the wrong course one must sketch out a better one.

At the election, the Prime Minister called for a 'new, modern Britain'. The phrase may be rhetoric but it works as rhetoric because it addresses a genuine need for renewal. Call it 'modernisation' if you will. Across nearly two decades Thatcher forced her own form of modernisation on the British economy but preserved and celebrated the nation state. As a result the constitution is in crisis, above all in relation to Europe but also for the separate nations of the United Kingdom.

When the English hear the word constitution they tend to think of the tedious, legal sense of the word and reach for their revolvers. The term has a larger, more significant meaning. It sums up how the parts fit together. In this sense a constitution is the framework of the nation, the living settlement that defines the institutions of a country, the authority of its State, and the state of its democracy.

By the mid-1990s all of these cried out for change in Britain. And in opposition, both Tony Blair and Gordon Brown had called for a new constitutional settlement. Two months after the election, Brown repeated the call saying that Labour's reforms should lead to 'popular sovereignty and democratic citizenship'.

The basic elements of such an overall rearrangement are clear. They should empower us as citizens and rid us of the mentality of subjects. The 'absolute sovereignty' of Parliament would be replaced with open, accountable government and by shared sovereignty between decentralised nations and regions. Such a constitution would need written, basic laws. And because the way laws are lived determines their character, any writing down of the constitution demands energetic, contemporary representative institutions such as a modern, democratic second chamber. A constitution shapes the arena within which a nation's life takes place. Ours is shaped, all too negatively at present, by the encompassing space of the European Union. Reformulating our own constitution would be a response to Europe and could protect and renew British democratic traditions within it.

A new settlement need not be republican, indeed, it could prove less radical than joining a common currency. Nor does it call for a 'Big Bang' as it requires a bottom up process that will take some years. But it does need a clear and prior commitment to the destination: a recognition that the people and not Parliament or Premier will be sovereign. In this sense, a modern, democratic constitution means a profound and important shift in the character of political power in Britain.

In response to the cliché that 'politics is not like this', it has to be pointed out that contemporary politics can be like this. The EU has proved extraordinarily effective when it sets out ambitious public goals and then proceeds towards them pragmatically, in a step-by-step fashion. Another knee-jerk objection takes the opposite tack, that far from being revolutionary, constitutional reform is boring and old-fashioned, as if the aim was to 'catch up' with some 18th century model like the United States. Whereas it is an opportunity to re-work classical values of rights, liberty and federalism with contemporary forms of representation and direct democracy.

Traditionalists from all parties also argue that the old regime cannot be altered because conservatism is entrenched in Whitehall and has radiated into popular attitudes. This might have been true 25 years ago, when many people did worship the British way of doing things. A majority of Scots would have rejected tax-raising powers for their parliament, and, as we know, the Welsh refused the offer of an assembly. I doubt if Londoners would have wanted a Mayor in 1972.

But in May 1998 an NOP poll showed 85 per cent support for a written constitution, of which 57 per cent was strong support. Only 5 per cent strongly opposed the idea. Voters seem to have pulled ahead of the political class so far as this modernisation is concerned. As for the Civil Service, after two decades of pummelling, it no longer presumes it has the right to rule. Twenty years ago, for example, it led the opposition to Freedom of Information. Last year it assisted in the production of a radical white paper which may be delayed thanks to the politicians but not because of Civil Service resistance.

Despite the fact that the people are ready and the Civil Service is able, the Government is not willing. Instead of leading their 'new Britain' towards a new settlement it has embarked on one of the most mysterious exercises in post-war history. It is altering everything while claiming that nothing fundamental has changed. Before the election many predicted that Labour would not carry out its promises. Others said a Labour government would start to deliver but would fail unless it also embraced democratic decentralisation, if not its reforms would blow up in its face. Instead, the Government has acted in a way no one predicted. It has driven through its programme with considerable self-belief while insisting that the radical changes involved add up to no more than a modernisation of the existing order.

The sweep of its reforms cannot fail to impress. Independence for the Bank of England, regular use of pre-legislative referendums, a parliament in Scotland, assemblies in Wales and Northern Ireland, a Council of the Isles, a Mayor for London, Regional Development Agencies, the Human Rights Act, the coming abolition of the power of hereditary peers, a commission on voting reform... the list could be continued. The Monarchy, the Commons, the Lords, the Bank, the nations, the regions, local government, the Civil Service, the judiciary, and citizenship in terms of basic rights, have all been altered significantly since May 1997. Already, Blair's government has achieved more than Harold Wilson ever did, though Wilson won four general elections.

Furthermore, Labour has acted in a way that refutes those who say it is Thatcherite. Its first action, to make the Bank of Eng-

'Unnecessary secrecy in government leads to arrogance and defective policy decisions..

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

land independent, was a proposal Thatcher vetoed. Likewise she totally opposed a parliament in Scotland. Far from being willing to incorporate the European Convention of Human Rights, the Tories had contemplated removing the UK from the ambit of the Human Rights Court altogether. Thatcher's abolition of the Greater London Council has been reversed. Blair and Brown have even declared their desire for the euro to succeed and for Britain to join it – complete anathema to Thatcher and her followers. And Blair has sat down with the bombers and made a peace in Ireland.

Equally, the programme of constitutional reform proves how unsocial democratic New Labour is in British terms. For Old Labour loved the ways of the old regime and was in many respects a product of its top-down character. New Labour is new.

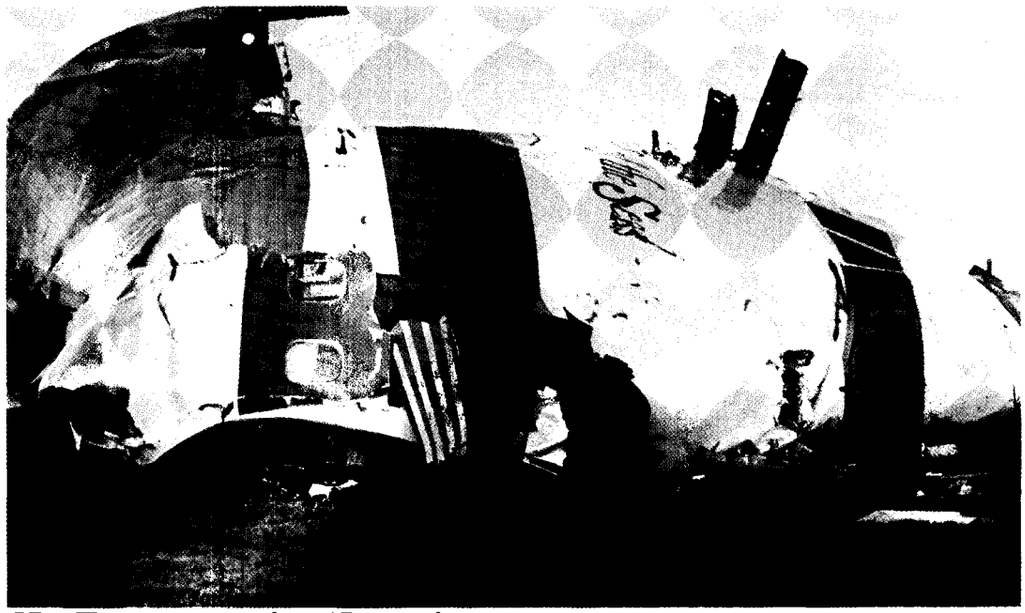
Which leads back to the mystery. The Government is a master of publicity and loves nothing more than trumpeting its unique nature. From welfare reform to the 'Third Way', the Prime Minister announces his command of the 'big picture' when there isn't yet a movie in the projector. But when it comes to the constitution, where he has dumbfounded the sceptics and delivered sweeping, reforms that plough up the landscape in a manner worthy of Cinemascope, do we hear it? Do we see it? Do we get the big picture? No we do not.

Why not? Because the Government is moving in opposite directions at the same time. It has unleashed the national question in Scotland but insists that the existing 'British nation' is unchanged even strengthened. It has incorporated a Bill of Rights, yet denies this will politicise the judiciary. It has committed itself to join the euro, but not yet. It has given five million Londoners a Mayor, and postponed the day until the year 2000 – while Regional Development Agencies have been imposed on the rest of England. It will abolish hereditary peers, and then leave the Lords as a crony chamber. Across the board it has initiated reform and then drawn back.

Desperate to prove its democratic credentials but apparently terrified of giving birth to democracy itself, New Labour practises *constitutus interruptus*. Its relationship with Freedom of Information exemplifies the pattern of high-boasting, professional action and hasty withdrawal. In December 1997, in his introduction to the white paper on Freedom of Information, Tony Blair described it as a 'key pledge'. He stated, 'The traditional culture of secrecy will only be broken down by giving people in the United Kingdom the legal right to know. This fundamental and vital change in the relationship between government and governed is at the heart of the white paper'. Six months later and whoops-a-daisy, a vital fundament was postponed and will almost certainly be weakened.

The more such constitutional interruptus continues the less attractive it becomes. Scotland, where it started, now shows signs of wanting to leave the bedroom. Blair has been warned repeatedly by Conservatives and reformers alike that a Scottish Parliament alters the whole Union and not just Scotland. However, in a debate on the authority of Parliament last May, the Government spokesman insisted that MPs and peers in Westminster retain their sovereignty and can repeal the devolution bills, 'if that were deemed appropriate', because devolution will not in any way 'undermine the authority of Parliament'.

Dream on! Only the Scottish people can abolish their parliament. To deny this will provoke Scots, who rightly hold that the creation of Holyrood is more than a mere internal Scottish matter. Only a genuinely new, federal-style Britain will offer the Scots a reason to renew their allegiance to the UK. Otherwise, they will leave for the larger normality of the European Union. As with its other reforms, only more so, Labour's Scottish policy points to the most compelling reason of all for the Government to initiate a fresh constitution: the dynamic unleashed by the changes it has set in motion will not be contained within the old order.



THE GUARDIAN

No7 Terror in the air

This is not how the key associates of Blair's government see it. They do not think there is a deep crisis in the British state. They do not see the need to create a new kind of polity. Their approach is to modernise the existing machinery and its culture in a new and unexpected way. The clearest expression of their approach is to be found in a heavily illustrated, expensive, 116 page overview of their entire programme, entitled, in what they presumably regard as modern typography: *the government's annual report 97/98*.

The Prime Minister's spokesman let it be known that the annual report should be regarded henceforth as the equivalent of the State of the Union address, no less – the solemn occasion in the United States when the head of the Executive addresses the combined houses of the legislature. Indeed, it was hailed by the Prime Minister himself as 'a major innovation'. Blair states that the aim of the report is to allow members of the public to 'hold us to account – year by year'. So it did not matter that Parliament had risen for the summer recess when the Prime Minister presented the report to the collected ministers of his own government. Gathered in what is now called 'the rose garden' at Number 10, they had just been reshuffled and were on best behaviour. All applauded. No questions were asked. In this way the old-fashioned House of Commons was by-passed. Friendly journalists were asked to present it as a shift in the balance of power towards the people. For example, individuals can now have a personal influence upon the State. All of us can tear out the 'your say' page at the back of the report and fax our 'priorities for the year ahead' to the Annual Report Desk in the Prime Minister's Office.

In addition to allowing us to hold it to account, the Government has given itself a good, hard look. This can only increase our gratitude and respect. With remarkable objectivity, it found that it has scored a near Ceauçescu-level 96 per cent success rate, with only 8 out of '177 manifesto commitments' not yet timetabled. In his introduction to the report, Tony Blair looks back to the election and writes, 'Changing a government is like sweeping away the entire senior management of a company.' And he makes another revealing comparison. He explains that the document is designed to help the public pass judgement on the Government because, 'Trust matters. In all walks of life people act as consumers not just citizens.'

The three words, 'not just citizens', are revealing. They have pride of place in the

pledged to a Freedom of Information Act.' (Annual Report, 3.5.1998)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Prime Minister's own reflection on his first year in office. And they reject the old idea of democratic renewal. The Prime Minister sees himself, he is telling us, as our CEO. He views his ministers as the company managers and we, the people, are his customers. The relationship that he foresees is one in which he will provide a competitive service, we will buy it, and he will enjoy power.

Government services should be delivered efficiently – this is no small ambition. But being a consumer of government is only one part of being a citizen. The lesser part. Citizenship is the most important overall political status people have, or, in Britain, that we should have. It is our claim of ownership and entitlement over the State.

New Labour has another idea. It is 'Welcome to UK plc – the global player.' The Government is being modernised. Henceforth it will be managed like a company. The people too must be modernised. If they are no longer willing to be subjects they will become consumers. This attitude pervades Labour's approach to the constitution and explains the way it sees its radical re-organisation. Loss-making subsidiaries will be disposed of (Northern Ireland, hereditary peers), or rationalised from the centre (task forces, the regions). Close competitors are being incorporated through joint-stock enterprises (Liberal Democrats). Problem areas will be decentralised into subsidiaries that enjoy local autonomy but remain dependent upon the strategic direction of the centre (Scotland, the Law Lords, London).

'The people too must be modernised. If they are no longer willing to be subjects they will become consumers'

In these cases party discipline is vital to ensure control. Hence the need for Millbank to decide Scottish Labour's tax policy and delete most independent-minded candidates from the list for Holyrood, irrespective of their politics. Hence also the decision to retain patronage over the appointment of the Law Lords and to postpone the London elections until a suitable on-message candidate can be assured. Objective auditing is to be established under agreed rules (Bank of England, National Statistical Office). In the interests of efficiency, 'closed shops' that cannot be brought under direct control, for example the Cabinet and the Commons, are by-passed and allowed to wither. The Cabinet barely meets and does so under the eye of the Number 10 Press Secretary. The Commons is treated with contempt. And the corporate logo, the Monarchy, will enjoy a ruthless makeover. In all cases the 'inefficiency' of intermediate institutions is cut away.

Thatcher made British society and economy less hide-bound, caste-ridden and snobbish. To achieve this, she reinforced the traditional authority of prerogative and patronage which gives the British Premier unrivalled executive power. The response of a progressive government should be to dismantle Thatcher's authoritarian approach and introduce democracy and decentralisation. Instead, the Blair government is updating her centralisation on corporate lines. It has, if anything, intensified control. As a consequence the country is threatened with what can be diagnosed as a new variant elective dictatorship. Or, as a wit in Downing Street put it, a transition from a feudal to a Napoleonic state.

Today's Napoleon runs a multinational corporation. All governments believe in some kind of 'agency' that will reshape society in the desired direction. After 1945 Labour and Conservatives shared a Fabian-style belief in the efficacy of honest administration and the far-flung elite of what can be termed the Empire State. In her assault upon this paternalistic consensus, Thatcher put her belief in the unfettered energy of free-market enterprise. For its part, New Labour admires not the market place but its key players, the corporations themselves. Anyone with a sense of enterprise and a desire to improve the *world is bound to admire such engines of* change: they plan, they build, they create jobs, they develop new products, and they operate across the globe. They are New Labour's vision of agency – it is how it sees itself: conscious, informed, networked, decisive and centralised.

The corporate approach validates the can-do belief in a government's power to solve problems that characterises Blair's administration and distinguishes New Labour from Thatcherism. It also inspires Downing Street's 'joined-up', cross-departmental approach to problems, from exclusion to New Deal youth employment and the need for long-term spending plans. All of which is a radical and refreshing break from the traditional passive and irrational culture of the Civil Service. It also justifies the astounding degree of central control the Government exercises in the form of targets, incentives and punishments. And it sets the scene for the kind of popularity Blair seeks, which is customised and celebratory.

For Blair's 'corporation approach' to government is not limited to improving the administration of the State, it seeks to reshape attitudes so as to modernise 'the people' as well. His corporate populism can be distinguished from the way political parties used to appeal to both their core constituency and the public. A large multinational genuinely wishes to sell to everyone, rich and poor alike, and believes that all can benefit when it does. Whoever may gain from its profits, it has no special class identification inscribed into its products. Guided by polls and focus groups, it excludes no one from its calculations as its advertising department seeks market dominance.

Blair's personal style and non-ideological charisma fits perfectly with such corporate populism. There must be both a minimum wage for the poor and minimum taxation for the rich, as all are included in the project. Historically, when it relied upon deference, the British State also put its trust in the feelings and emotions of the population rather than their reason and judgement. Under Blair, professional marketing will ensure the equivalent loyalty, as 'responsiveness' and 'closeness to the people' become the Government's version of accountability.

Corporate populism does not passively follow opinion. It demands an active effort to reshape attitudes. New Labour wants workers to regard themselves as members of the UK plc staff association – as loyal employees who will be decently looked after and trained, provided they show a sense of duty. There will be promotion by merit for those who strive and succeed along the lines laid down. Super-teachers, super-nurses and now, on tough estates, according to the Prime Minister, even super-caretakers, will symbolise achievement and enjoy special rewards once they absorb and implement the Company's norms. As for the local authorities, schools and hospitals, if they do not deliver according to the standards required of them by UK plc, hit-squads will arrive from headquarters to replace them.

The Government is not a homogeneous body of men and women dedicated to corporate populism as an ideology, at least not yet. They are still new in office and capable of change. But the term is a fair diagnosis of the direction that has been instinctively embraced by Blair and his closest advisors as they have taken over first the party, then the election and now the government. In command of the State, they regard the power it bestows on them as an instrument for modernising Britain and not the main symptom of its backwardness. Once again those who have captured Westminster are trying to bring down the portcullis on democracy. The tragedy of Blairism is that when voters were ready at last for a new Britain it gave them a corporate make-over of the old one.

Britain is not a corporation. British voters wish to be citizens and not just customers. The limitations of corporate populism are all too obvious and it cannot be sustained as a substitute for a modern political culture. For its legitimacy it relies almost solely on the unrivalled but vulnerable popularity of Tony Blair himself. For its implementation it leans heavily on party discipline which, without the self-belief that comes with democracy, will crumble. As with Scotland, one can hear it giving way already. The Scots are canny enough to let England implode rather than allow themselves to be blamed for taking the initiative. A hung parliament north of the border is the likely outcome in May 1999, with the trend to independence plaguing the Government thereafter. A more apocalyptic result might be preferable, as an overt crisis could frighten Downing Street into a change of course. Instead, a messy process of decomposition is likely to take the stuffing out of New Labour over the next few years.

The Prime Minister claims the choice is either his form of government or a return to the Tories, which is his way of saying 'There is no alternative'. He is wrong. There is an alternative for Britain. Its name is democracy, its manners are decentralised, its personality is normal and its home is Europe. In the absence of any credible organised expression of this alternative, however, the only direction open for England over the next decade is all too likely to be to the right.●

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Nations Under A Groove

Is the impetus for devolution losing sight of those whose identity is more complex than national allegiance? Being 'English' may not be a solution for black Britons, says

New Labour's concept of devolution and decentralisation is based on an entirely spurious notion that Great Britain consists of four nations complete with a supporting cast of regions, all ready and willing to be released from their captivity under Westminster. Liberated they will discharge their untapped creative and benign influence through the length and breadth of this island. This New Britain will be made up of these factions re-engaging in a grown-up way to make a modern nation of willing partners. There will be no real break up of the kingdom, so the devolution enthusiasts (over-represented understandably amongst our Scots brethren) believe with a degree of infectious passion.

This vision has been promoted so successfully that to speak ill of the idea is barely possible. One can ill afford to admit to the anxieties that are building about this brave new Britain. But they do exist, especially amongst Black Britons.

The very descriptions of what is going on and what is likely to happen insults our histories, and our contemporary status in this society. This is not a four nation country. How do you define a nation within a Nation anyway? Are we talking territory? Are we describing ancestral rights? Are we building monuments and ambitions on vague and over-used ideas about a primary identity? Is it language, accent, common values, shared political purposes? Does it exclude newcomers? Or those without deep and long historical connections? Or is their inclusion only possible if they allow themselves to be assimilated? Is devolution and decentralisation based on the idea of a new mini-nation which is inclusive and diverse within a larger bloc which is even more so? And where in all this rush for independence do we, Black Britons, fit in?

It is never nice being an irritant, but nevertheless, in case the advanced guard get carried away too much, I want to raise these questions. We do at least need definitions of what devolved blocs are to be based on. Our diasporific lives mean that nationalism cannot simply be based on areas of residence. Michael Aspel is still a Northerner and Melvyn Bragg will always be a chap from Cumbria.

In an excellent debate on the implications of devolution in the September 1998 issue of *Prospect*, George Kerevan of the Scottish National Party tried to calm these fears. He said that 'an inclusive civic identity is more easily accomplished inside a small nation like Scotland where names such as Lazorowicz, Damarco and Ali are already considered as Scottish as McDonald.' I disagree. Such statements smack of the worst kind of French cultural and political arrogance which is built on the idea of absorption into a greater culture, not diversity and equal respect. What happens to those who do not wish to be as Scottish as McDonald, but who wish to live within their own cultural enclaves? And what about the pressures felt by Black Britons that to make their mark henceforth they will be obliged to follow the flag. The idea that Scotland, Wales and Northern Ireland are by definition better at multiculturalism than England is highly suspect. Read the tales of racism regularly reported in the *Scotsman*. My sister has lived in the Welsh valleys for 20 years; to most of her neighbours whose idea of a foreign country is Cardiff, she is still an outsider.

These changes will surely lead to the re-emergence of an English identity too. I do not fear that any more or less than the others. It may be a very good thing for all of us if the English felt better about themselves and less indignant that they have been left carrying the can of slavery and Empire (the Scots, Irish and Welsh were there too). At the moment the best explorations of Englishness seem to be clustering around reclaiming the legacy of Tom Paine, William Blake and William Cobbett. The worst though are already manifesting themselves through revisionist historians' 'laments for an organic and ordered England', as John Williams the researcher into football behaviour describes it.

The problem is that there is no such thing as simply a political settlement among nations. Culture, education, self-understanding and the passions of ethnicity are the triggers and the consequences of political changes of the kind that are coming upon us. Add to this territorial demarcation and the result could be lethal.

The umbrella British identity which needs to be saved is likely to be fatally damaged by this. Andrew Marr pointed this out in the *Prospect* debate mentioned above: 'For many black, Asian and European and Irish people here who will never be English, Britishness is a useful badge for belonging. Black people can declare: "I am British" and know that that assertion is irrefutable.' Some can even do it with enviable panache.

Remember too that Black Britons, as Stuart Hall has pointed out with some intensity, have only just felt able to describe themselves from the heart as Black Britons. Only very recently has it become possible for them to use such descriptions of themselves.

And now all this changes again before our very eyes. Of course, there are black people in Scotland who are integrated and strongly pro-independence. But you only have to raise the thorny subject of Mohamed Sarwar, with devolutionary zealots and you soon get the language of exclusion. 'He is only an immigrant; he can never know what real Scottishness is,' I was told by a local politician in Edinburgh. 'And besides, he sees himself as a Pakistani for God's sake.' How are these sentiments going to be stopped? I have spoken to young Asians in Edinburgh who tell me that even within the last two years, anti-English aggression has grown and that racism too is manifesting itself in many ways. Patriotism spills over. It enables xenophobia to wear respectable clothes. Enoch Powell is described by his acolytes as a good patriot. He was a bad racist.

Remember too that these days nobody publicly admits to being racist. I remember interviewing British National Party supporters in a pub near Carnaby Street whose babies had swastikas drawn on their wee arms, but who insisted that they were not racist, just patriotic, looking after their own, the English.

English nationalism is on the increase – as a response to Scottish and Welsh nationalism. Over-developed regional identities hold the same terrors. Talk to Asians living in communities with white Yorkshiremen who still shudder about having them in their cricket teams, unlike Leicestershire which, lacking any real sense of itself as an identifiable region has managed to re-create itself (cricket and all) as multi-racial.

All this is happening at the same time as there is huge re-tribalising going on in the black communities too. Once happy to be called black, we are now South Asian, Caribbean, Muslims, Hindus and Sikhs. Young Sikhs and Muslims slash each other every weekend in Hounslow and Southall. The mind boggles at what could come next. A Welsh, Shia Muslim Pakistani Mullah? No integration even of the most basic kind is going to be possible unless we understand the implications of all this.

Sarajevo was destroyed because it symbolised the kind of diversity nationalism could not manage. Just like London and other British conurbations today. The civic pride felt in these places is around the notion of diversity. If we blacks are going to be locked out emotionally from Wales, Scotland and England, I wish to claim London for us and those who think like us. Here we will preserve that historical fudge – a Britishness which is a civic device to bind people together without recourse to ethnicity.●

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Welcome to our world. A cultural guide to the best of the decade...

Essential Collection

Björk: Icelandic dance *Debut*

Music

1 **Never Mind** The last American rock record; the last American rock hero.

2 **Screamadelica** Indie ideology: rock 'n' roll mythology; and a huge dose of dancefloor culture.

3 **and The Protecting Veil** Classic FM music – people only believe classical music is uplifting if it's obviously uplifting.

4 **Debut** Indie ideology; Icelandic mythology: dancefloor makeover.

5 **Dummy** The album of the decade; soundtrack to passing dreams.

6 **Different Class** Sardonic commentary on life in Middle England.

7 **Monteverdi's L'Incoronzione di Poppea** Radio 3 music. Scores read so intelligently that everyone else's versions of Monteverdi (or Handel come to that) now just sound old-fashioned.

8 **Wannabe** The single of the decade – rap meets British showbiz; showbiz wins.

9 **Born Slippy** Featured in the film *Trainspotting*, this delicious tune resonated underground, overground, on the dancefloor and in the charts.

10 **When I Was Born For The 7th Time** The sound of things to come. A record impossible to pin down to any particular style or politics.

Simon Frith is chair of the Mercury Music Awards

Books

1 **by Nick Hornby** Shock discovery – men can discuss their feelings too! (But only in sportspeak.)

2 **by Jung Chang** The personal and political intertwined as never before.

3 **by Steve Jones** Feeding and fuelling the reading public's growing appetite for science.

4 **by Viviane Forrester** Best-selling cry of political protest, translated into every major language except English.

5 **by John Gray** The gender battlelines crassly but influentially drawn.

6 **by Louis de Bernières** Because everybody has read it. And it is good.

7 **by Pat Barker** British fiction's finest and most substantial achievement of the 90s.

8 **by Francis Fukuyama** History is over! (But try telling that to the people of Kosovo...)

9 **by Will Hutton** The sand on which New Labour has built its glitzy castle.

10 **by Irvine Welsh** The birth of the new scatology.

Jonathan Coe is the author of *The House of Sleep* (Penguin 1997)

Architecture

1 Essential for meeting the dissemination of architecture head-on.

2 A simple device that has achieved the democratisation of architecture by placing it in the hands of the public to open debate.

3 **by Rem Koolhaas** A contemporary treatise on architecture or the diary of a superstar architect which represents a scale of possibilities which are seldom found in the UK.

4 A small contemporary art gallery in the New Forest which typifies a radicalisation of architecture for the arts, made possible by the National Lottery.

5 An impassioned series of buildings which was inspired by dedication to fine architecture.

6 **, Albert Bridge, London** Proof of big business architecture alive in the UK, topped with Norman's living room rivalling Lord Archer's in possessing the skyline of London.

7 The advent of a computer tool which has allowed a new way of seeing and of imag(in)ing architecture without building.

8 **, London** An example of the English obsession with retaining old buildings which has been executed by Herzog & De Meuron to be as creative as is possible. Taken any further, such creativity must demand starting from scratch with a new building.

9 Inaugurated in 1998, an award which finally acknowledges that architecture is not just about buildings, and encourages collaboration and diversity with other disciplines.

10 Representative of a great idea and a great tragedy.

Deborah Saunt is a partner of architects dsdha, as well as broadcasting, teaching and writing about architecture

Advertisements

1 **'s 'Just do it'** This campaign hit the zeitgeist emphasising attainment through single-minded dedication. The slogan championed a way of life that elevated action above words: 'Don't think, just do it' – the battle cry for New Labour.

2 Its highly controversial, provocative campaign has linked its brand name with social issues. It has had many imitators, including Calvin Klein, the Co-operative Bank and Fuji.

3 **'Advertising is legalised lying'** The most significant (since it was Guinness) of a genre of ads where the product is less relevant than the advertising itself. Other examples include French Connection's 'Fcuk Advertising' campaign.

4 **'s 'Hello Boys'** This kicked off the bra war by portraying the bra as an aide to seduction. It also started a trend among advertisers who saw the value of using half-naked supermodels to generate free publicity from the news media, eg Citroen's use of Claudia Schiffer.

5 Promoted a backlash against sexual promiscuity with a series of ads which encouraged couples to use ice-cream to spice up their newly monogamous sex lives.

6 **'s 'Beaver España'** Joining the backlash against monogamy and feminism, it appealed to the new lads of the *Loaded* and *Viz* culture.

7 **'s 'Slap'** 'You know you've been Tango'd' was blamed for playground slapping and became the focus of media panic about violent youth in the wake of the Jamie Bulger case.

NEW LABOUR
NEW DANGER
One of Labour's leaders Clare Short says dark forces behind Tony Blair manipulate policy in a sinister way. "I sometimes call them the people who live in the dark." She says about New Labour "It's a lie. And it's dangerous."

Demon eyes: selling the vision thing

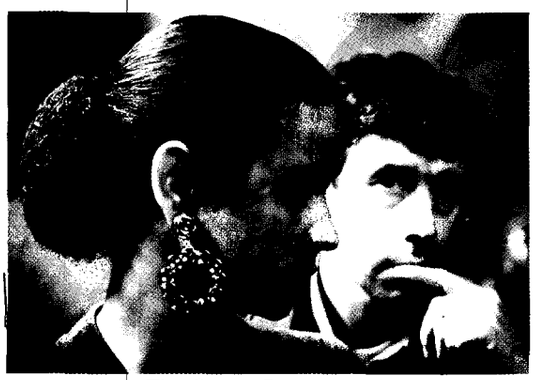
PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

8 **'s 'Tax Bombshell' and 'Double Whammy' 1992 election campaigns** The unambiguous messages were designed with national newspaper front pages in mind.

9 **'s 'Underpants'** A Euro-sceptical ad featuring an Englishman standing on the White Cliffs of Dover in his underpants, supported by Harrier jump jets challenging the Frogs to come and have a go if they think they're 'ard enough.

10 **'s 'Demon Eyes' 1997 election campaigns** The Saatchi brothers could not find any policy differences with which to attack New Labour, and so went for Blair instead.

Sean Brierley is the author of *The Advertising Handbook* (Routledge 1995)



***The Crying Game*: a real eye-opener**

Film

1 **(dir Mathieu Kassovitz)** No such thing as society? Here's race and rootlessness in the urban armpits of 1990s France.

2 **(dir Larry Clark)** Picking at the same strands from the great American scrotum.

3 **(dir Mike Leigh)** A modern triangle of desperation. We were told, my God we were told, about alienation.

4 **(dir Martin Scorsese)** Does this, the viciousness of inadequacy made bleeding flesh, slide through the political ticker? Probably. Who, though, needs tickets when such brilliance rules. (And what is the mafia but politics without the promises?)

5 **(dir Ken Loach)** See below.

6 **(dir Neil Jordan)** While the old class warriors rather lost their way, Loach and Jordan brought the deeper currents of Northern Ireland to the surface. That was new. We were starting to talk about the nightmare of Ireland in ways that made the drag of the conflict seem more bearable. First, acknowledge the problem, begin to look and listen, then other thoughts can flow.

7 **(dir Goran Paskaljevic)** Same truth, different country: from the wreckage of Yugoslavia.

8 **(dir Sergei Bodrov)** Haunting visions as Russia struggles to find a new identity.

9 **(dir Krzysztof Kieslowski)** Not many laughs, but a few grim smiles.

10 **(dir John Sayles)** This mordant dissection of New Jersey municipal sleaze rang so achingly true that you could feel Clydeside wince.

Peter Preston is former editor of *The Guardian*, and author of *A Homage To Xenophobia: 51st State* (Viking 1998)

Art

1 **by Jannis Kounellis** Sides of beef hooked over endless steel plates – beefier than bacon.

2 **'s metre-square of brilliant yellow pine tree pollen laid on a concrete floor** Concentrated colour coupled with constructed nature.

3 **'s towering spirals of 2 inch-thick steel, shown at Dia New York** For their echo chambers and ziggurat shelters.

4 **by Pipliotti Rist** For a shift to waterstates.

5 **DNA rediscovered in Richard Deacon's** A veritable tour de force in steamed beechwood

6 **by Ignassi Aballi** A square metre of transparent brushed pinkish acrylic without support: supremacist turned sensible.

7 **'s taxidermist plastic dogs** Like Stubbs' racehorses hanging from a frame – brutal truth.

8 **Rachel Whitehead's bedsit exclusive monument to intimate space** Solid, sad, breathed air.

9 **'s concrete tunnel in the floor in Malmo** It made you want to start again.

10 **by Damien Hirst** The world we have made of this earth presented in a glass box – another exclusion that allows us insight.

Antony Gormley won the Turner Prize in 1994. His Angel of the North statue presides over the A1 near Gateshead.

Innovations

1 **British Telecom's service** A neat device that answers your calls while you are talking to someone else. I have always thought there was more use for a 'Third Ear' rather than a 'Third Way' in society.

2 To be celebrated for igniting a furious price-cutting war between the big commercial airlines and bringing air travel down to earth at last.

3 The world at your fingertips.

4 **The to Mars** A stunning success for low-cost, low-risk space exploration. The pay-off is that space has once again invaded the collective imagination.

5 **The rise of** You can complain to the manager at your local branch of Waitrose all you like about genetically-modified food to little avail. But tearing genetically-modified crops out of the ground makes the same point so much more eloquently.

6 For utilitarian rather than ideological reasons – more recognition for greater numbers of women writers.

7 A remarkable form of consolation, giving succour and hope to those in despair.

8 For making us all into continentals at long last.

9 In the 1980s, this pesky little virus was thought to be a herald of the apocalypse. Now, thanks to the clever combining of assorted drugs, it is rapidly being demoted to a serious medical condition.

10 of socialist, democratic and social democratic governments in Britain, America and much of Europe.

Marina Benjamin is author of *Living At The End Of The World* (Picador 1998)

TV

1 Because it spawned Jimmy McGovern.

2 Because it was Jimmy McGovern.

3 For having a strong investigating female cop who had flaws and vulnerability.

4 For breaking the mould of female sitcoms.

5 For Daniella Nardini and gay sex.

6 For its relaxed presenters showing their warts and all (Chris Evans).

7 For its revolutionary camera work and great characterisation.

8 As above, but darker.

9 Because it's radically surreal.

10 For bringing documentaries back to life.

Amy Jenkins is creator of BBC TV's *This Life*

***This Life*: lawyers have feelings too!**

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Jonathan Freedland

Bill Clinton and Eric Hobsbawm are ruining my life. They may live worlds apart, but these two men have shaken my core beliefs. Between them, they have tested to near-destruction an argument I hold dear – one I genuinely believe represents the best future for the left. And this unlikely duo have wreaked all this havoc in just months.

It all began in July – the 4th of July, to be precise. On that day, I published a book called, *Bring Home the Revolution: How Britain Can Live the American Dream*. It argues that, despite all the American junk we import, there are plenty of gems we are leaving behind. It suggests that the founding ideal of the US was a model Britain should aspire to, that America's political culture boasted greater democracy, liberty and even equality than our own. Better still, such a model was not alien to Britain: on the contrary, the American revolution was the fruit of British radical dreams we had let slip away. It was our revolution – and it was time to bring it back home.

Within a couple of months, Bill Clinton – with help from Kenneth Starr – had fired the first salvo. By unleashing the full 24-hour absurdity of Zippergate, he threatened to do terrible damage: not just to the American republic but, much worse, to my book! Who would listen to a work of pro-Americanism while the entire United States had been spun into a frenzy over a man, a woman and a cigar? As one interviewer put it, introducing me as the author of a book extolling the virtues of the American Dream, 'Well, it's all a bit of a nightmare now isn't it?'

Still, like the Comeback Kid himself, I did my best to recover. I supplied the arguments – focusing on the inherent egalitarianism of the impeachment process, which insists that no one is above the law – and held the line. But Professor Hobsbawm presented a tougher challenge.

For the central argument of my book is this: liberty has to be reclaimed as the project of the left. It's time to put aside our century-long faith in the state as the solution to society's problems, and return to our 18th-century roots. For long before we signed up to Marx and state socialism, British radicals nurtured a sturdy suspicion of government. Read the opening of EP Thompson's *The Making of the English Working Class* and see what ideal animated the first radicals and progressives: not equality, but liberty.

The left's great mistake was to forget our anti-authoritarian, anarchistic origins and to spend a century and a half championing the centralising impulse of command-and-control economics. We ceded the once-sacred concepts of freedom and the individual to the right, leaving the left associated with the greyer notions of conformity and the mass. Now, the book argues, is surely the time to reconquer that territory, colonised by the Thatcherite right, and reshape it for the century ahead. While she had talked of 'rolling back the frontiers of the state' from the economy, we should push the central state out of both our personal lives and our local communities. Devolution to Edinburgh, Cardiff, Belfast and London is just the most obvious part of it. What the left should embark upon is a much more profound shift of power: from the State to the people.

So while in the past the left looked to the state bureaucrat, the lesson of America is to look to ourselves. Instead of the vast, post-1945 centralised machinery of welfare, spitting out faceless giro cheques, our goal should be the construction of a complex lattice-work of small communities, each one helping the most vulnerable within. That way we would take care of each other and replenish the stocks of what the experts call 'social capital', that vague supply of trust and civic connectedness which makes for the good society. We might replace the old welfare state with something infinitely richer: the welfare nation.

Underpinning my thesis were three arguments, one of principle, two of pragmatism. The principled argument was that libertarianism was the partner of another radical idea we had lost to America: popular sovereignty. The revolution of 1776 insisted that in the new republic neither Crown nor Parliament – nor some slippery blend of the two – would be sovereign. Instead the citizenry itself would be in charge. The opening three words of the constitution said it all: 'We the People.'

What that represented was a rebellion against feudalism, a declaration that human beings could be trusted to govern themselves, with the State as their servant, not their master. The Britain those early Americans rebelled against insisted the opposite was true, that power flowed from the top down. It said it then and our system continues to say it now, casting us as infants to be tended to by the parental state, 'Yea, from the cradle unto the grave.' A new British statement of popular sovereignty – our own declaration of 'We the People' – would reverse that flow of power, establishing us as political adults, able to look after ourselves. It would topple the monarchy, of course, but it would take a much greater step: it would shift the burden of responsibility from government to citizen.

The pragmatic arguments were twofold. First, this brand of libertarianism is not only the buried treasure of our past – the forgotten legacy of Paine, Godwin, Blake, Shelley, Coleridge and a thousand radical dreamers in between – it also represents the politics of the coming century. Polling evidence shows that today's youngest voters are fiscally conservative and socially liberal – to an extreme degree in both directions. They do not want to pay high taxes, or suffer restrictions on their use of the car, even in return for better services or a cleaner planet. But nor do they want government banning beef-on-the-bone or gay under-18 sex. They are, as a matter of instinct, wary of overmighty government and jealously possessive of freedom.

It's hardly surprising. For these are Thatcher's children, the 18 to 24 year olds who grew up in the days when 'market forces' became king (the second of our two pragmatic arguments). The world-view they heard from birth – hammered home with only the faintest of protest – was that government was the enemy, with the market an all-powerful friend.

In this, the Conservatives created a monster they could not control. The fire of libertarianism they stoked would not be confined to mere economics. This new generation has insisted on holding Thatcherism to its word, making demands the Conservative Party could never satisfy. If the State is a meddling influence in the economy, what's it doing in my bedroom? If Whitehall no longer has the right to control the steel or telecommunications industries, then why is London able to control Scotland and Wales?

So this could be the politics of the next century, a revival of the freedom-loving instincts of our past – reawakened, ironically enough, by the rightwing's dominance of the last quarter-century. The right established liberal economics as a hegemony in the 1970s and 1980s; now the left will com-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Young and creative is what Tony Blair wants Britain to be. But does New Labour's vision of Cool Britannia amount to more than hype?

plete the picture, entrenching a liberal – even libertarian – politics to go with it.

Enter Eric Hobsbawm. In his article, *The End of Neo-Liberalism*, the Professor has set out to destroy this market-forces premise. He declares that the current crisis in global capitalism means the neo-liberal hegemony is unravelling. The left – even Generation X – no longer need regard the market as an omnipotent law of nature, consuming all government attempts to tame it. The days of rightwing loathing of the State are over; social democracy is ready for a comeback.

Such a change should blow a hole in my argument, one even larger than the chasm left by Bill Clinton's trouser-dropping. Surely it would be an error for the left to embrace a libertarian brand of anti-statism now, just as the great laissez-faire economic experiment of the last two decades is coming apart. Surely now is the time for government activism, as we witness the rebirth of the left's oldest concerns: inequality, poverty, redistribution. What can anti-statism, even of the renewed 18th- century libertarian variety, say about that?

The first response is a warning. The left will make a great mistake if it welcomes the current tremor in capitalism's heart as a cue to return to its past. It is unhealthy for a movement to become the friend of disaster, the enemy of success – licking its chops at the prospect of recession, just as the old revolutionaries longed for hunger and despair to stir the proletariat to insurrection. There is something weak about a left which sits quieted during the boom years, only to pop up during crisis to say, 'We told you so.'

But none of this is meant to dodge the question: how can the left-leaning anti-statist retain a commitment to equality, equity and social justice? The answer is that we can. The methods may often differ – relying less and less on the central state – but the goals, the values, can remain intact.

So our disgust at abject poverty will endure, but our solution will be subtler than mere reliance on taxation and redistribution. My travels around the US revealed to me the possibility of what I had once dismissed as mere rightwing rhetoric: namely, communal self-reliance. Americans who see neighbours struggling do not reflexively demand that the government 'do something'. They take action themselves. I came across the Ounce of Prevention, a voluntary group which has taken on one of the toughest challenges in urban America, the Robert Taylor Homes in downtown Chicago. This ghetto boasts every social pathology you can name – from teenage pregnancy to drive-by shootings to crack addiction to welfare dependency – and yet those problems are now in retreat, thanks to the local people who formed the Ounce. Some are millionaires with money to spare, some are volunteers with time to share, but between them they have done what central government had failed to do, establishing literacy projects, street-corner health clinics, parenting classes and a battery of interventions aimed at stopping the cycle of poverty and social breakdown once and for all (with a particular emphasis on the formative years of childhood).

'Today's youngest voters are fiscally conservative and socially liberal. They don't want higher taxes – even for a clean planet'

Now the habitual reaction of the left has been to dismiss such projects as mere 'charity' the kind of do-gooding that puts a band-aid on the problem without solving it. I used to think that way too. But having seen it, I've changed my mind. Local, self-run action is effective, but it's also much more radical than yet another government scheme. For it asserts that cherished notion of popular sovereignty. 'We own this society,' says the US ideal, 'it's up to us to make it work.'

The result is a kind of knitting together of society, as the haves are forced to *meet* and engage with the have-nots. I can pay high taxes in Britain and never actually *meet* my fellow citizens in need; they can remain socially excluded, reached only by the bureaucracy of the State. But a society that regards social justice as a task for everyone – not just government – reduces the scope for such alienation. Fifty-four per cent of Americans do some form of voluntary work each week, making contact with the people I reach only via the Inland Revenue.

For the left this should not come as a surprise. We surely know the benefits of a face-to-face war on poverty, as opposed to a campaign delegated to Whitehall. After all, we were the inventors of the friendly society, the co-operative, the Sick Club, the trade union and the building society. Just because old elitists (and outrageous snobs) like Sidney and Beatrice Webb and Douglas Jay believed 'the gentlemen in Whitehall know best', preferring a Man from the Ministry to the community, it does not wed us to the same belief in perpetuity. We should listen to Michael Young, the author of the 1945 Labour manifesto, who has done much to excavate the left's past history of self-help – long before it made a fetish of state ownership. Young wants to see a new breed of 'social entrepreneurs' taking on all the enduring struggles of the left without relying on central government.

Which is not to exclude local government. There is much redistributive work that can be done locally, by those we elect. Education spending is an obvious example. Municipal boundaries can be drawn so that rich areas, often suburbs, subsidise the poor ones, usually the inner city. Through local taxation, a basic measure of redistributive equality can be effected while still insisting that power remains where it belongs – close at hand. Indeed, a key move for the left is to insist on the rights of the new devolved bodies – and even smaller authorities – to raise taxes. Voters are much more likely to approve of increased taxation when it's in the hands of people they choose directly, and whom they know, rather than disappearing into the black hole of the national coffers. Once again, the US precedent is useful: federal taxes may be low, but the shortfall is often made up by city- and state-wide levies.

Central government need not bow out altogether. It can act, too – nudging and cajoling communities and companies to take action previously regarded as the exclusive preserve of the State. Tax breaks for responsible, stakeholding firms – those that shoulder burdens currently left to the social services – is only the most obvious method. Financial aid for communal groups, British equivalents of the Ounce of Prevention, will aid the transition from a society which looks to the state for answers and one which looks to itself.

And Westminster should take on one extra role, one it presently resists. Even mega-capitalists like George Soros are saying it: management of the global financial system – at least the laying down of effective rules of the game – is an urgent task for the leading governments of the world. Only national administrations working together can take the action needed to keep capitalism on the rails. The left libertarian will not stand in their way. On the contrary, the true believer in minimal government wants the State to perform only those tasks which it alone can perform – and to do those extremely well. Health care and defence always used to be the classic examples. But the regulation, the taming, of the global economy now seems to fit clearly into that category. Government should start to move into this area – even as it retreats from so many others. That's not big government: it's smart government.

So just as neo-liberalism's rise should never have made society abandon the goals of equality, nor should its fall lead us to forget the ancient pursuit of liberty. We can maintain our faith in both, achieving one through the other. To greet capitalism's latest troubles as a signal to return to the tired and failed techniques of old-time social democracy would be a great error. For it would fail to appreciate that Thatcherism's appeal was not just financial – the belief that marketism would make people richer – it also touched a deeper nerve: the human appetite for freedom and the almost-instinctive defiance of authority. These are impulses the left once championed as our own. We should claim them back. To quote Adlai Stevenson, they are our heritage and our true glory – whatever Bill and Eric say.●

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Jonathan Glancey

What is it about the Millennium Dome that makes so many of us so very uncomfortable? The fact that it exists is one reason. History offers many examples of politically ambitious architects linking arms with dictators – imperial, papal, psychopathic – who have understood perfectly well the power of style and the potent imagery of the 'dome'. The dome is a dominant architectural form defining and covering controlled and centred space. It was the chosen form of the ancient Romans at their mightiest – the Pantheon springs to mind – of Renaissance popes, of the Jesuits at the time of the Counter Reformation, of Napoleon and, above all, of Adolf Hitler.

Wherever and whenever state and church, state and autocracy, political and architectural ambition have met and loved one another hungrily, domes have raised their imperious, lofty and beautiful heads.

Even civilised St Paul's cathedral, capped with perhaps the most elegant dome of all, symbolises state power. Under that mighty dome, for all the fun to be had in the Whispering Gallery and in the grand adventure of racing to the top of Wren's masterpiece for the most gloriously baroque view of London (for a short while the greatest imperial capital since Rome), the human spirit is here, if not altogether crushed, then reined in like a tethered pony.

The most ambitious dome of all was the *Grosse Halle*, Albert Speer's titanic representation of the triumph of the Nazi will in concrete and stone. Construction work on this meeting hall for the party faithful – then 180,000 of them – was to have begun in 1948 after the German victory that year. So voluminous was Speer's dome, and so capricious, clouds might well have formed inside during prolonged sycophantic applause for the ageing führer's speeches. And rain might have fallen – strange, yet very probably true – to a suitably Wagnerian spectacle to mark Hitler's crushing of liberty, democracy and the rule of law.

Dictators and their architects have chosen domes because domes represent the last word in control. A dome settles over people placed inside and below it like a Victorian glass bowl does over stuffed animals. The circular form of a dome is like a trap. Which way do you turn to find the way out? There is an uncomfortable sense, when standing under a dome, of being forced to move around in a perpetual circle with no promise of escape.

The Millennium Dome is thus a disturbing symbol of social control. Yet this, whether by accident or design, is why it sits so well with the ambitions of its New Labour masters. Few British governments, at least not since those of the younger Pitt or Cromwell, have been so controlling as Blair's. None has been so obsessed with the style and imagery of government. None has made so many enemies with people – very many in the world of art, design and architecture – who ought to be its natural supporters and who helped vote it into power without thinking of the consequences.

Few of us expected ministers to be so arrogant. At least with the Tories, who cared not one jot for style, design or architecture (as far as one could detect), we could argue and even joke. Now we must either go along with the Government's bizarre pursuit of a flash, physical style to represent its desire to control society, or be treated as the enemy. There are no concentration camps in Britain and comparisons between the Blair and Hitler governments now being made by Stephen Bayley, as well as a growing number of academics, are wrong-headed and even odious. The fact that they are made, however, is a disturbing sign of the way in which New Labour is perceived. Opposition to the government no longer comes from Westminster (New Labour has asset-stripped would-be vote-winning Tory policies) but from the very professionals, academics, free-thinkers, clergy and critics whom Mandelson and his cack-handed circus of control freaks have driven away from the party that they had been in close discussion with prior to the May 1997 election, and who are now unrepresented in parliament.

Very few of this new extra-parliamentary opposition support the Dome. Government stooges have been taught to call the Dome's critics, 'whingers' but this will clearly not do. The Dome's critics are many and varied and few appear to be 'whingers'.

The authors of the document *In Defence of the Dome* (Penny Lewis, Vicky Richardson and James Woodhuysen, ASI Research) believe that the very scale of the Dome is a virtue: 'It does not matter that the Dome is the biggest fabric-covered structure in the world, equal in size of two Wembley Stadia, 18,000 Route-master buses and 13 Albert Halls; [that it] gives a focus to wasteland as forbidding as Berlin's *Potsdammerplatz*, where they recently discovered Goebbels's bunker. No. The Dome stands condemned before it has ever been completed.'

This is bunkum. Size has never made a building likeable or important. Kitsch perhaps; a symbol of commercial aggression of political arrogance, certainly. As for poor *Potsdammerplatz*, this former no-man's-land symbolically separating East and West Germany was for a brief moment between the fall of the Wall in 1989 and the redevelopment of the area, home to a spontaneous and makeshift brood of bars, restaurants, theatres and music venues run by enthusiastic and liberated young Berliners. Today, it has been transformed into a dismal and even terrifying concatenation of office blocks and conference centres, designed in an uncompromisingly aggressive, commercial style and built on a scale that Hitler and Speer would have applauded.

Potsdammerplatz represents the crushing of the free spirit, the triumph of corporate might. So, too, the Dome at Greenwich. A part of the reason for its bulk is its need to attract business sponsorship. The Dome is not, like the Festival of Britain of 1951, championed by Peter Mandelson's maternal grandfather Herbert Morrison, an expression of national celebration hosted by the nation though the agency of the State and its elected representatives, but a showcase for the might of free enterprise. The Dome is a giant billboard for its sponsors. The bigger, for them, the better.

The contents need not be discussed here. They have not even been finalised. They are pretty much the stuff of theme parks and may or may not attract the public in droves to come and play, but most of all to pay. They will pay, by the way, though timed tickets; there will be no spontaneity here, another disturbing sign of New Labour thinking.

The secrecy with which the contents of the Dome have been commissioned is, however, a cause for some concern. The mellifluously named 'New Millennium Experience Company', set up to run the Dome has been one of the nastiest, most vindictive and most pointless bodies yet set up to run a fun fair. As an exercise in public relations it has been an unmitigated disaster, making enemies of the press (save for the oleaginous toadies hoping for political preferment). This is curious because the Blair government has prided itself on its mastery of 'spin'. And on making enemies with the design and architecture professions too, although individual designers and architects have been too scared to express their sentiments in print for fear of being fired, or of being marked down as trouble makers and thus losing future commissions in the public realm for perhaps as long as New Labour is in power.

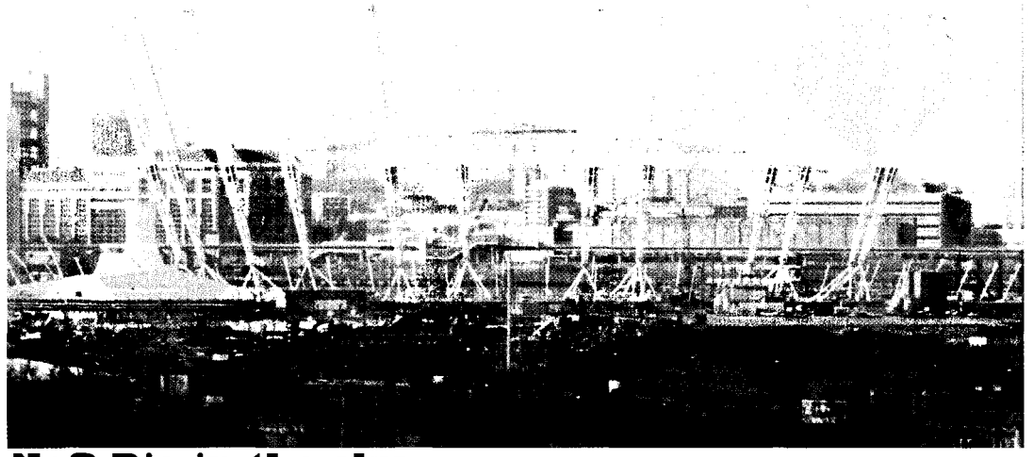
Unfriendly. Secretive. Controlling. Realised on an aggressive scale. The Dome is not exactly the stuff of a national celebration. This very idea of a national celebration, however, is as old-fashioned as the notion of the Dome itself. We live in what many of us would like to believe is an increasingly anti-monumental age. Curiously, when in opposition, New Labour promised to spread the arts and culture throughout the country instead of concentrating cultural might in London.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Richard Rogers, architect of the Dome, was very much a part of those early discussions. The Millennium Experience is antithetical to this early and presumably outmoded thinking.

It is certainly expensive to realise – the actual structure of Rogers' dome-tent has cost about £40 million – at least as much as the seriously impressive new Getty Centre in Los Angeles and the cost of at least a dozen glorious Bilbao Guggenheims – fixed in a remote corner of London and filled with what promise to be flashy, patronising gew-gaws, the equivalent of the glass beads from Birmingham taken by explorers to impress the natives in far-off lands destined to become British colonies. It is a slap in the face to the rest of Britain.

Both the Dome and the Millennium Experience concept are deeply old-fashioned. The structure of the Dome could have been realised at pretty much any time over the last 30 years. It is pretty enough, but meaningless without its contents. The giant Expo-style theme park exhibition is also running out of steam worldwide. What was significant for Tokyo in 1970 meant precious little for Seville, despite huge expenditure, in 1992, and almost bugger-all in Lisbon in 1998. Giantism is becoming increasingly irrelevant, but it is a language that corporations with global ambitions, such as British Airways and BAA, speak and understand and they, of course, are among the Dome's major sponsors.

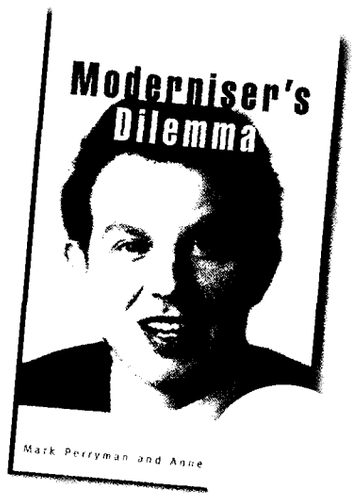


GRAHAM TURNER

No8 Pie in the sky

It seems curious that a building, a gigantic tent that wishes to be a heroic dome, should be the focus of political debate and the subject of analysis. Yet for once we have a government in power for whom style really does seem to matter, although no amount of style-mongering can ever make up for a lack of underlying content. Quite why the Government decided to go ahead with this Brobdingnagian project will never be fully understood, the story never accurately told, whilst cynical spin doctors hold the Blair government in their manipulative and vituperative thrall. No commentator really gains from wishing the project ill. Those of us who love design and architecture, and who wished Blair well in 1997, argued against the Dome from the very beginning when it was a Tory project and a silly one even then. The money and energy invested in the Dome could have been put to so many more endearing and enduring uses. We debated and suggested these during the dying days of the Major government. And yet, even if the arguments against the Dome had been weighed and not found wanting, the project may still have been given the go-ahead. Not against all reason, but because it had the potential to be the symbol of a New Order for New Britain under the control of New Labour and the new corporatist state.●

Subscribe for £9.99



At **less than half-price** this exclusive subscription offer delivers the *New Statesman* for **just 83p** a week, guaranteed to arrive on day of publication. Direct to your address every Friday, complete with exclusive subscriber offers on the latest in political publishing.

Sparky and unpredicatable, what other magazine can count Rory Bremner, Gordon Brown, Anthony Giddens, Christine Hamilton, Ian Hislop, Anne Widdecombe and John Pilger amongst its writers week after week !

Special offer **£9.99** subscriptions come with a **free** copy of the new book *The Moderniser's Dilemma*. Academics, journalists and politicians assess the politics of Blairism and offer a critical account of both new Labour's model of modernisation and competing models from the left, right and the social movements. The book alone is **worth £13** add a low, low price subscription to the premier magazine of the centre-left and this is an unbeatable offer.

☐ **Yes!** Start my **£9.99** half-price quarterly subscription immediately and send me my **free** copy of *The Moderniser's Dilemma.*

Start my £9.99 quarterly subscription immediately. After three months, and every three months thereafter, I understand my subscription will revert to the current quarterly rate as advertised in the magazine, unless I choose to cancel.

My name & address address .....

.....

Postcode ..... Tel no .....

Instruction to your bank/building society to pay direct debits DIRECT Debit
Originator's ID No. 971520

Bank/Building society name & address .....

.....

Account Holder(s) .....

Acct No ..... Sort Code (if known) .....

I instruct you to pay direct debits from my account at the request of *New Statesman*. This instruction is subject to the safeguards of the Direct Debit Guarantee.

Signature ..... Date .....

Notes This is a direct debit offer **only**. If amounts and payment dates change you will receive notification in writing. If you would prefer not to receive mailings from ourselves and associated organisations, please tick ☐ M T A

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Bhikhu Parekh

The late 1960s were a turning point for British society. Thanks to the decolonisation of most of the Empire, Britain's two centuries of imperial adventure came to an end, leading to a drastic shrinkage of its political and economic power and global importance.

As a result of the arrival of a large number of black and Asian immigrants from its erstwhile colonies and their concentration in major cities, British society became recognisably different in its composition and ethos. Changes in its moral climate made its citizens more uninhibited and open about their choices of lifestyles and sexual preferences.

The British economy began to show signs of decline, its political institutions were widely perceived to be ineffective, not fully democratic, and lacking in widespread popular support, and the pressure to join the European Community aroused fears about the loss of a thousand years of history.

In short, almost all the traditional sources of pride upon which the country had built its national identity for the past two centuries – the Empire, social cohesion, stable democracy, industrial leadership of the world, moral consensus, shared collective purposes and superiority to the rest of Europe – became problematic. In this climate of deep self-doubt and disorientation, the question of national identity, which the French and the Germans had faced 20 years earlier, came to be placed on the national agenda.

The concept of national identity is ambiguous. It could be defined in ethno-cultural terms and then it is about the kind of people the British are, including our habits, psychological dispositions, moral qualities, customs and attitudes to sex, family and each other. In politico-institutional terms, it is about the kind of country Britain is: the values it stands for, its distinctive institutional physiognomy, and the kind of life it wishes to create for its citizens.

This ambiguity was never resolved and vitiates even Jeremy Paxman's otherwise perceptive recent work on Englishness. Not surprisingly, the question of British national identity received two different answers, depending on whether the focus was on the British as a people or on Britain as a political entity.

Enoch Powell, Margaret Thatcher and other voices of the New Right concentrated on the qualities of the British people and offered an ethnic definition of British identity. For them, Britain represented a distinct people who belonged to a common stock, were endowed with unique personal and political virtues, had created a uniquely Anglo-Saxon way of life which they obligingly carried to most of the rest of the world, and had valiantly saved western civilisation from its enemies in the two world wars. One could not be British unless one was part of the British stock and shared its characteristic virtues.

In this view Britain's ethnic minorities were perceived to be a problem. While some advocates of the ethnic view believed they would always remain cultural outsiders, others thought they could, over time, become British through intermarriage or conscious acts of self-identification with the British people.

Liberals advanced a civic view of British national identity. Led by Roy Jenkins, Edward Heath and others, they argued that Britain stood for certain values, such as parliamentary democracy, individual liberty, tolerance, civic participation, deliberative style of public discourse and fair play. British identity was not a closed ethnic group jealously guarding its membership against aliens, but an open society welcoming all who agreed to subscribe to and live by these values. Its ethnic minorities were welcome to retain their cultural identities provided that these were confined to the private realm and did not intrude into and dilute the shared values of the public realm.

Although the liberal view is more hospitable to cultural diversity, and for this and other reasons more acceptable, it suffers from the basic limitation of its ethnic rival. It, too, insists on only one way of being British. For liberals, Britain stands for a body of civil and political values, and to be British is to accept and live by them. Anyone who questions them betrays his or her inability or unwillingness to become part of British society, and may rightly be excluded.

This became clear during the Rushdie affair. Some British Muslims foolishly endorsed Khomenei's notorious fatwa and rightly forfeited public sympathy. While condemning the fatwa others, however, wondered if the question of the nature and limits of free speech and its relation to religious freedom did not need reconsideration. Many liberals thought this impertinent, barbaric, indicative of the Muslim refusal to become British, and declined even to debate the issue.

Roy Jenkins lost his balance and remarked that if he had known this earlier, he would have been more reluctant about allowing the creation of a large Muslim community in Britain and that he now had doubts about admitting Turkey into Europe! The liberal definition of British national identity has its biases and blindspots, and can easily become as exclusive and intolerant as the ethnic position. While rightly insisting on certain basic rights and values, we need to allow for a mutually enriching dialogue between different cultural traditions and should not prematurely foreclose the possibility of a further refinement of the national vision of the good life.

During the past couple of years several new definitions of British national identity have been canvassed. I shall mention two that have deservedly attracted considerable attention.

In an influential and well-argued monograph published by Demos, Mark Leonard offers an engaging view of British identity, stressing its global connections, European roots, multi-ethnic composition, creativity, sense of fair play, technologically-innovative spirit, and commercial dynamism. While much of this eclectic list makes good sense, Leonard's view has troubling features.

Leonard displays the ambiguity I referred to earlier, talking sometimes of the qualities of the British people and at other times of the central values of British polity. Although he does not intend it, his view implies that those British citizens who do not display his cherished qualities are not fully British and even perhaps a moral embarrassment and a drag on the country's progress. Furthermore, Leonard wants Britain to have a clear national identity in order that it can present itself abroad in a favourable light and promote British business and industry. Like Margaret Thatcher he sees Britain in the image of a business corporation, and its identity as a kind of commodity that can be manufactured, attractively packaged, and sold abroad. Since he thinks of national identity in terms of how we want others to see us rather than how we should see and shape ourselves, he takes a largely instrumental view of it, seeing it as an easily mobilisable commercial asset rather than a basis of national unity and a vital political and moral resource.

Like Thatcher, Leonard sets up an untenable contrast between tradition and modernity, between old and new Britain, and his view of British identity has a deeply anti-traditional thrust. While she was too obsessed with the British past to face its future with fresh eyes, Leonard's view seems to dispense with the past altogether and lacks historical depth and resonance. It is also largely celebratory, stressing Britain's inventive genius, taking only a cursory look at its weaknesses. Since it lacks a critical and reflective dimension, its definition of British identity remains morally somewhat superficial. Leonard's proposal that Britain should mobilise all its institutions to project his view of its identity at home and abroad is no less troubling. It homogenises British identity and is likely to prove morally suffocating.

Tony Blair has offered yet another and, in my view, more mature definition of British identity. He rightly cherishes Britain's cultural and technological creativity, youthful spirit, multi-cultural character, European roots, global connections, tolerance,

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

compassion and so forth, and obviously any coherent view of British identity would have to include all this. Though he stresses Britain's history, his view of it is largely free of the Thatcherite gloating over how the country civilised the 'immature races' in Asia and Africa and 'saved' the rest of Europe from its internal barbarians. The bulldog that figured in Labour's election broadcast was not intended to be John Bull's nostalgic imperialist emblem. Blair's government has also repeatedly talked about an inclusive Britain, and the priority it has given to the work of its social exclusion unit reflects this concern.

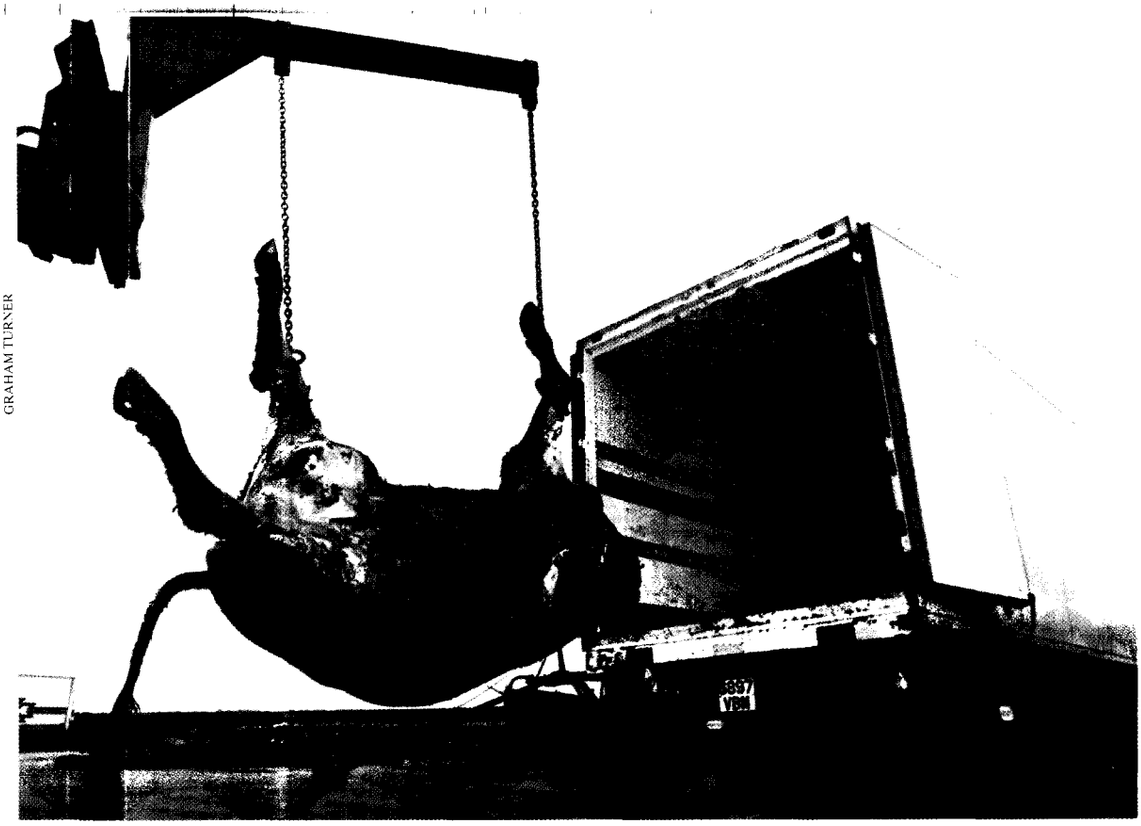
In spite of its obvious virtues, the Prime Minister's vision remains sketchy and inadequate. At times, he too tends to see national identity as a way to sell Britain abroad, and concentrates on its narrow economic gains rather than its domestic moral and political value. I am not sure either that calling Britain young when a quarter of its population is over 60 offers a sufficiently inclusive vision of it. Nor am I convinced that we should strive to become a beacon to the world or its moral leader as the Prime Minister proposed during his address to last year's Labour Party Conference. If others find something worth learning from the way we solve our problems, we should be pleased. But to imagine that we have some special talents in this area and that the rest of the world should look to us for guidance is to invite disappointment and the charge of hubris.

Although the Prime Minister has passionately complained about inadequate minority representation in the upper echelons of our major political, economic and other institutions, his vision of Britain does not appear to be fully sensitive to cultural plurality. It is intended to open up spaces for minorities within the dominant structure rather than to broaden its cultural base, to create greater opportunities for members of minority communities to rise within the dominant culture rather than to pluralise it in the light of their distinct cultural sensibilities. Blair's search for the 'Third Way' has a strong economic and political dimension but little cultural content. It is not adequately embedded in a searching critique of the shallow moral culture thrown up by most western societies.

All this may perhaps explain why Blair's vision of Britain has not fully resonated with the ethnic minorities. It has not inspired and mobilised them on a large scale, or led him to do for them what he has done for women.

Women fit into Blair's vision of Britain, the ethnic minorities do not and require a greater imaginative effort. Although it is generous in its spirit and points in the right direction, it needs to be deepened and broadened.●

No9 Damien Who?



GRAHAM TURNER

Angela McRobbie

The *Sensation* exhibition held at the Royal Academy in London last year demonstrated how the work of 'young British artists' is now phenomenally successful and simultaneously less special. With Damien Hirst's magnificent shark on display to greet the visitors, contemporary conceptual art suddenly, and spectacularly, crashed through the barriers. Sculpture could be something that was simply interesting to look at.

The new brand of art – spearheaded by Hirst but envisaged and endorsed by the whole group now known as the yBas – boldly declares that art is no longer the prerogative of the élite, and its less special status warrants more attention. Not that we are witnessing a new democracy or a radicalisation in the field of art. The young British artists distance themselves from all the art theory, the Marxism and post-structuralism which they might have come across in their training. Tracy Emin's stated enjoyment of 'doing' Marxism and feminism at art college is touched with irony. Her tent owes more to the 'girls just wanna have fun' humour of *More* magazine than it does to her feminist elders, Cindy Sherman or Mary Kelly.

The yBas reject the seriousness of the political art and photography of Camerawork, Victor Burgin and *Ten Eight* magazine like, and also the generation of black British artists whose work began to appear in galleries from the mid-1980s – Chila Burman, Mitra Tabrizian, Sonia Boyce, David Bailey, Keith Piper and film-maker Isaac Julien – all of whose work engaged at some level with cultural theory, with questions of identity and with new ethnicities. Nor is there any sign of the whole wave of art work which developed in relation to the crisis of Aids and HIV.

Some critics, notably John Roberts, have argued that this disengagement with theory allows a new licentious and profane philistinism to emerge, particularly as postmodern art has become over-institutionalised. The cynical, apolitical indifference, as well as the weary, not to say tawdry, disengagement of many of the pieces (Sarah Lucas' soiled mattress with phallic-shaped fruit pieces casually thrown on top, or, for that matter, Tracy Emin's tent) certainly says something about how art now perceives itself and where it also places itself. Acknowledging, and even endorsing, what Kobena Mercer has described as the 'vulgarity and stupidity of everyday life', this is casual, promiscuous, populist art which wishes to be repositioned within the chat-show world of celebrity culture, alongside the sponsorship deals, inside the restaurants and at the very heart of consumer culture. This is art made for a prime-time society, where daytime TV encourages the parading in public of private misfortunes

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

('My wife weighs 900 pounds' was the title of one recent *Jerry Springer* show). Exposure and confession are recurrent themes in *Sensation*. The power of the popular media to penetrate every moment of our daily lives makes the tabloidisation of art inevitable.

It is tempting, but not entirely satisfactory, to explain all this on the grounds that nowadays art is simply good business, and that these artists are 'Thatcher's children'. Liz Ellis has suggested that in this context the new art has reneged on all feminist achievements and shorn itself of all recognisable ethics: it's art as political backlash.

I'd suggest a slightly different angle on the yBas. Ensconced inside the consumer culture, less lonely and cut off, the new art simply becomes less important, it downgrades itself as an act of conscious bad faith. The *Sensation* exhibition did not require the usual quantities of cultural capital to enjoy it. It did not invoke cathedral-like silence. It self-consciously staged itself as shocking but was also completely unintimidating. In this respect art has got off its pedestal, it has relieved itself of the burden of distance and of being expected to embody deep and lasting values. But if not all art can be great, and there are more and more people seeking to earn a living as an artist, then this is a realistic strategy.

The new 'lite' art also means the blurring of the boundaries between where art stops and everyday life commences. The singularity of art begins to dissolve. Is it a sculpture or a dress by Hussein Chalayan? Is the video by Gillian Wearing titled *Dancing at Peckham* effective because it isn't real art, just a slice of urban life? Given the 'Nikefication' of culture, are the Goldsmiths graduates literally 'Just Doing It'? Maybe they are simply making things based on ideas. And, in so doing, they are deliberately challenging the art world with its patrician critics and its lofty standards.

In the late-1990s, instead of demystifying art (the traditional strategy of the left) the yBas are redefining it, repositioning it and, to use New Labour language, 'rebranding art' in keeping with what it means to be an artist today, which cannot mean being pure about sponsorship and poor in the process.

As students from more diverse backgrounds get into art school, Pierre Bourdieu's notion of the artist as a member of a small bohemian élite, able to stay poor in the short term in order to achieve success in the longer term, no longer holds. For thousands of young people making a living in Bohemia has become the norm. The culture society is the labour market whether that means being a Scottish painter or a London-based conceptualist. Instead of dismissing the tie-ins and spin-offs, as merely commercial, we have to take into account the historical moment of the yBas. They have been brought up with their peers to venerate and value the conspicuous consumption of the 1980s. Few of the generation educated in the 1960s have really come to grips with the power that money and consumerism have over a younger generation. This new 'love of money' crosses the boundaries of gender, class and ethnicity.

'Art has got off its pedestal, it has relieved itself of the burden of distance and being expected to embody deep and lasting values'

Rather than be startled by the new commercialism in art, we should recognise how slow to understand it an older generation of social and cultural theorists has been. Now there is a determination to stick the course rather than give up and retrain, which the majority of fine art graduates did in the past.

What do we expect of an art show? Is it enough that an exhibition like *Sensation* simply invited a degree of curiosity? The artists appeared to be challenging critical judgement. The 'don't care' attitude had the effect of freeing them from the burden of being classified in terms of great, good, mediocre or bad.

In an aestheticised culture, art becomes another transferable skill: train as an artist to become a DJ, work nights in a club and get a commission to do an installation, make a video etc. Art can now be pursued less grandiosely. And given that there are fewer traditional jobs to return to, the yBas seem to be aware that ducking and diving is no longer the fate of unqualified working-class males. Sociologists have written extensively about the new world of work, characterised by risk, uncertainty and temporary contracts, but have not focused on creative work. For this reason, no-one asks how much art, music and fashion the culture society can actually accommodate? How many cultural workers can there be?

Although there is great diversity within this work, there are a number of things they share in common. First, there is a generational revolt against the conviction and enthusiasm of their Marxist and feminist predecessors which has produced a marked anti-intellectualism in their work. Second, they relate to popular culture by adopting it wholesale, its gestures, language and identity, without attempting to explore it and then elevate it back up into the art world.

Popular culture is staged post-ironically as presentation rather than as representation, as though to reassure the viewer that there is absolutely nothing clever going on here. These artists deliberately seek out the most downgraded forms, for example, the 'Sod You Gits' tabloid headline of the Sarah Lucas 1990 piece of the same name. This flat endorsement of popular culture and its transgressive pleasures describes a hedonism also connected with this particular 'tabloid loving' generation.

Even extreme or violent material remains devoid of social or political content or comment. *Sensation* exists in a generationally-specific chill-out zone, where after the pleasure, thoughts of death and mortality make a seemingly inevitable appearance. But this is not marked by a sudden gravity. There is curiosity, a touch of morbidity (as in Ron Muecks' model of a miniature corpse carefully laid out naked and still sprouting hair), but otherwise a casual interest in death and decay.

This forges another link with the tradition of British youth cultures. Two pieces in *Sensation* reference the impact of punk. Marcus Harvey's *Myra Hindley* evokes Malcolm McLaren's God Save Myra Hindley T shirts, and Gavin Turk's *Pop* is a life-size cross-breed of Sid Vicious and Elvis. While the explosive intensity of punk hurtled towards the violent deaths of Sid and Nancy, the yBas disavow such extremity. It is as though neither life nor death are worth the effort of thinking or reflection.

The connection with youth culture leads to the third unifying feature, which is the impact of rave and club culture and the effects of Ecstasy. The extension of bodily pleasures which underpin club culture also presents itself in the art, as does the anti-intellectualism. The body is the focus of all attention and the mind is left to lag behind. There is something of the informality of rave lingo and the crude coloration of rave party flyers in a good deal of this work. The Chapman Brothers' dolls have a drug-induced psychedelic and nightmarish quality about them, and, inevitably, the DJ is the real artist for the yBa generation. In the series of club nights hosted by the ICA in the Summer of 1997, the artists themselves took to the decks. But this is unexceptional. How many under-30s don't want to be DJs? The veneration of the DJ is now culturally the norm, as the single by the band Faithless indicates: *God Is A DJ*.

Fourth, and finally, there are the self-curating and promotional activities which the critics take as another mark of distinction of the yBas. From running their own shows to setting up shop, critics have seen all of these as commercial strategies. But these are also ways of getting the work seen and commented on, and getting away from unemployment. This locates the new artists in the DIY tradition of punk and its aftermath, and in Thatcher's enterprise culture. The enormous promotional energy involved in rave culture also serves as a model. Putting on a show is much like doing your own club night. None of the pieces on show at the *Sensation* exhibition would be out of place in a club, from Whiteread's sepulchral baths, to Hirst's rotting cow's head, from the fleshy hugeness of Jenny Saville's canvases, to the Chapman Brothers' mannequins with their grotesquely positioned sexual organs. And this is conveyed in the presentation. Casually strewn, or jammed up close to each other, the anti-intellectualism of the ethos pervaded the spatial organisation of the show.

Overall this work confounds most insights on the postmodern condition by not so much showing a 'waning in affect' as suggesting there is nothing beyond affect, nothing but affect. In this sense, the yBas expose postmodernism by revealing the trust in theory to be a trust in the world, a kind of humanism. Even postmodernism had its own repository of truth, that of thinking, intellectualism, philosophy. The yBas would rather read the *News Of The World*. They would rather go down the pub.

Is this disregard a pose? A question? A challenge? Does it contain any hint of social criticism? How long can they get by with this scanty repertoire?

The overall 'liteness' is countered only by the literal heaviness of the work of the two most sophisticated of the yBas, Hirst and Whiteread. They each bring a primal belief in the sheer weight and solidity of

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

(even decaying) matter and by extension a belief in sculpture itself. For them art provides some minimal core of value, for the rest, in a further subversion of the Duchamp tradition, it is virtually indistinguishable from anything else, though, of course, this is also their point. Art ought not to be so different, so special.

Yet even if the critics are agreed in the promotional dynamic of the yBas taking priority over a deep commitment to art, the work is nonetheless talked about. This may be the intention, to demonstrate – as the holiday-making escapade staged by final year fine art students at Leeds University in June 1998 did – that what art is depends on what the critics and the media say it is.

The key factor is the existence of critical bodies who are all engaged in bringing the work into discourse, into language and into popular controversy. If this is then what really enervates art, the scale and volume of the talk is a sign of the privileged status of fine art.

With the yBas we see a drift from the art world downwards to the vulgar, cheap and tacky, a cynical story about merely liking pop, and doing self-consciously artistic things with it, while avoiding the tedium of trying to be clever.

The outcome is post-ironic. But still, the yBas attract huge amounts of attention because what they do is still notionally art and supported by Saatchi. This makes it comprehensible to the middle class critics who somehow come up with an appropriate vocabulary for debate. As Bourdieu would put it: 'They create the creators'.

'If the artist is no longer tortured, isolated and starving in the garret, neither is she or he engrossed in the world of the mind'

We are left then with a curious scenario in the 'culture society', with the breakdown of high and low culture being more apparent than real. Even when the fine artists seem to think they are blurring the boundaries between what is art and what is not, the critics, collectors and the academics bring their own professional vocabularies to bear on the work, and confirm that, yes, even if it's bad art, it is art.

This leaves the artists themselves in the full glare of publicity. It is their work which creates the chatter which in turn keeps the wheels of the cultural economy in motion. Such cynicism, such transparency. But in making this point are they saying anything new? Of course not, but that's the point. Who needs newness? We are left with a scenario where art is no longer great, no longer exceptional. It is just another trickle of commentary which happens to take the form of a series of photographs, a video or another installation.

The one single question which the yBas succeed in posing is that of the place, value and meaning of art in the late 1990s. Their irreverence, their populism and their brash commercialism challenge the pretentiousness and the snobbishness of the art world. But the work itself adamantly refuses the role of social criticism.

Instead, the yBas locate themselves within a tradition of British popular culture. From Butlins to *Carry On* films, from Sid Vicious to *Chat* magazine, from *Men Behaving Badly* to the *Girlie Show*, it is as though they are recycling all the pop culture they have absorbed. The irreverence also extends to the world of ideas, philosophy and learning. If the artist is no longer tortured, isolated and starving in the garrick, neither is she/he engrossed in the world of the mind. The yBas exonerate themselves from responsibility. They opt for infantilism instead. But they are merely tossing back at us the values of the Thatcher years.

Maybe our responsibility is to ask tough questions of them. What will happen when the sponsorship runs out? Will they not at some point have to confront the failings of the free market and recognise the need for public sector support for artistic activity? Can the two black artists whose work was shown at *Sensation*, afford to do without a sense of history and of politics? These were evident in the *Sensation* pieces, but only just.

Yinka Shonibares' current work marks a return to history. Chris Offili retains a playfulness through his use of elephant turds delivered fresh from London Zoo, but now with a stronger assertion of the politics of new ethnicities. The more popular status of art ought to be seen as a wonderful opportunity for young artists. The danger is that there is a slide instead into self-congratulation.●

respect...sustainability...subsidiarity...globalisation...constitutional reform...gender politics...pluralism...stakeholding...diversity...citizenship...associative democracy

...cultural politics...anti-racism...post-modernism...identity politics...mutualism...solidarity...autonomy

http://www.poptel.org.uk/demlefft/newtimes/

Photomontage: Conor O'Dwyer

New Times
reskilling the body politic

In recent issues of New Times you would have found Will Hutton, Bea Campbell, John Gray, Robin Murray, Charlie Leadbeater, Jonathan Rutherford, Chantal Mouffe, Mike Phillips, Anthony Barnett, Donald Sassoon and others rub shoulders with an insider view on campaigns to democratise Britain, celebrate cultural diversity and reinvent the unions.

New Times – like Marxism Today before it – is the living journal of a political tradition, the pluralist, values-based network, Democratic Left. And, to take forward that politics, New Times is relaunching in March 1999 as a monthly magazine.

Stake your claim to our relaunch issue FREE by filling in the coupon below and returning it to New Times.

❑ **Yes, please send me my FREE relaunch issue of New Times**

Name.....

Address.....

.....**Postcode**.....

email.....

Return to: New Times, FREEPOST, 6 Cynthia St, London N1 9BR **MT**

pluralism...stakeholding...diversity...citizenship...associative democracy...cultural politics...identity...

...social justice...welfare reform...Europe...radical democracy...respect...sustainability...subsidiarity...globalisation...constitutional reform...gender politics...

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Helen Wilkinson

In May 1997, after years of stagnation, the political ground shifted with New Labour's landslide victory. In Blair, we not only have a political leader who represents a generational shift in political culture, we have one who stands firmly on the side of modernity. In his body language, as well as his policies, we see leadership concerned with moving forward rather than nostalgically looking back. But in May 1997 New Labour promised something more. When the photo image of Blair standing on the steps of Church House flanked by 100 female MPs was relayed around the world within days of New Labour's election victory, we were all left in no doubt that the force of the 'genderquake' had finally hit parliamentary politics itself.

May 1997 promised the dawn of a new era in gender relations. In this capacity, the Blairs themselves have become a conduit for our aspirations and our optimism about relations between men and women. The image of a young family moving into Number 10 Downing Street captured the public's (and media's) imagination. In the absence of a functional royal family, it is to the Blairs that the nation turns to see family values being played out. And on the faultline between modernity and tradition, the Blairs stand firmly rooted in the future. They are a modern partnership: the first dual earner career couple to inhabit Number 10, they juggle work and family life, like millions of other British couples. And it this which gives them such strong symbolic appeal.

But 18 months on, when it comes to gender, Blair seems to have lost the plot. He rose to power on the back of the 'genderquake' and the tradition of 1980s feminism, and spoke of feminising and modernising politics, but once in power, the energy seems to have dissipated. I'm not being facetious or deliberately critical. I'll make no pretence about the fact that I had high hopes and great expectations. As a consequence, I am not (and this point is key) judging New Labour by the standards of what went before. If I was, this would be a short (and unequivocal) article. After all, we have a Parliament which has never known so many women politicians in its history, a government with more women ministers than any previous administration, a range of 'women-friendly' policies from reform of the working hours of the House of Commons to policy commitments on child care and family-friendly employment, the New Deal for today's single parent mums, a commitment on parental leave (albeit that it is unpaid), and our very own Women's Unit. The list could go on.

These are all genuine (and much needed) policy advances on what has gone before. But they are, as the Prime Minister would, I think, himself admit, ultimately micro-policies. They do not in and of themselves amount to anything resembling a big picture. Yet Blair and New Labour promise us both. Blair in particular has signalled that the business of government is much more than implementing programmes and policies, important though these are. Its deeper (more spiritual) purpose is to offer up a vision of the society that we are moving towards, and the cultures we wish to create. And it is the gender cultures within New Labour which this article is concerned to address.

Since May 1997, New Labour has been sending very mixed messages about gender. Whilst wooing women was central to their electoral agenda, in power it's a different story. The mood music is different, lower key. In the first 18 months, gender has seemed to be an 'add on' rather than absolutely central to the government's agenda – in the backseat rather than in the driving seat. The first sign that gender might become an afterthought rather than a priority was almost immediate. Blair reportedly offered Harriet Harman the post of Minister for Women in a mobile telephone call as she left Downing Street just after having been given the Department of Social Security to manage. The symbolism went further. The post of Minister for Women was, as the title implies, not only a 'woman's job', and by this I mean low status and low paid, it was not even paid at all and had to be done in addition to Harriet Harman's other job.

That set the mood, and since then women's issues appear to have been marginal. The Women's Unit has found no obvious home within government, since women's issues by definition cross departmental boundaries. But to make matters worse, no one in the Government really seemed to have given it much strategic consideration – one reflection being that the Unit is about to relocate for the third time in less than two years. Without a clear vision and philosophy underpinning the gender agenda, the Women's Unit and women's policy as a whole have been left rudderless, without a fixed anchor, cut adrift from the heart of Blairite policy-making, which is for all the talk of feminising politics, still fundamentally male-dominated.

This is in stark contrast to other policy agendas, such as social exclusion and the family, which have dominated the show and received high profile backing from Blair. The Social Exclusion Unit sits in the heart of Downing Street and family policy too has been given a particularly high profile, whether it's through ministerial speeches, commitments to set up an independent National Family and Parenting Institute or budget commitments on important programmes like Surestart. But when it comes to gender, it has been a different story. A government which hit the ground running in a manner that surprised and excited has become slow off the mark, sluggish and uncertain.

Why is this? Why has gender become marginal so soon after New Labour came in to power? In my view, the physical marginalisation of the Women's Unit from the heart of policy-making reflects its intellectual marginalisation and is emblematic of generally muddled thinking on gender within New Labour. I think the reasons for this are cultural and political. Much that is radical about the Blair project is explicitly about modernity, as much about generational change as about gender change. Blair, like Margaret Thatcher, whose leadership style he admires, is an archetypal androgynous political leader. He embodies a political culture which treats men and women the same, minimises their differences, emphasises their similarities and develops a set of programmes and agendas which resonate with both sexes.

By definition, an androgynous political culture is consensus based, rather than conflict driven. For it is a world in which men and women are equal, where masculine and feminine attributes are equally valued and integrated in us all. As a style of politics, it is markedly different from the gender politics which propelled Labour women into Parliament in May 1997 (and New Labour into power). This was the legacy of Old Labour – the politics of 1970s and 1980s feminism, the mirror to Old Labour's macho culture. It advanced women's issues through separate agendas and political quotas to achieve the goal of feminising politics. It was a politics of identity, conflict and struggle.

Blair inherited it. He did not define it. Instinctively, he is ill at ease with separate agendas, and with conflict. Even before the general election, he made his own discomfort with women's quotas (and the language of separate agendas) clear. But it served him well. It helped (indeed was instrumental) in bringing him to Number 10. For in 1997 women of all ages, but especially younger women, voted for New Labour. But in power, Blair's natural incli-

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nation has been to steer clear of this gender agenda. His spin doctors talk about 'mainstreaming' women's issues through 'joined up' government and gender audits. He warms to other themes, like the family and social exclusion, where gender issues can be integrated, neutralised or kept invisible. In power, gender-neutral politics is the order of the day.

In practice, there is a problem with the way this approach has played out within the Blair government. For, in spite of rapid change among younger generations, the playing field is not yet level. We don't yet have gender equality. Gender is neither neutral nor redundant, much as we all might wish it to be. And this is the crux of the problem. New Labour's aspirational androgynous culture is in the ascendant when the conditions for it to thrive are not yet in place. For what is dressed up as New Labour's androgynous political culture actually turns out to be not so androgynous after all – behind the veneer of feminisation, it actually turns out to be pretty male. Boyish New Laddism is its offshoot, and is all the more insidious precisely because it is rooted in the language of modernity, the language of androgyny. The Women's Unit, which could have become a catalyst for far-reaching change, has been relatively marginal to the main business of government, and is rapidly becoming a technocratic vehicle for managing and containing gender politics rather than engendering it. Nor will its move to the Cabinet Office in itself be any guarantee that it will be taken more seriously if it resides within an overall culture which sees gender as marginal, or irrelevant.

For the reality is the feminisation of our political culture and economy is not sufficiently advanced for us to wholeheartedly embrace a gender-neutral politics. Male ministers still need to be sensitised to gender issues. The femocrats in our political culture, like the feminists in our Parliament, are not yet present in sufficient numbers. There are still too few women MPs, too few policy advisers at the heart of government, too much complacency for gender (and women's issues) to slide seamlessly off the agenda. Patriarchy is too deeply embedded in our culture for us to assume that we can yet engage in politics in a thoroughly androgynous manner. A gender politics which loses sight of this big picture will, in the name of androgyny, actually halt its forward march.

None of this is to argue against the ideal of androgynous politics. I, for one, believe that the spirit of androgyny is the spirit of our age. I think we can see the evidence for it in our culture on almost a day-to-day basis, in our politics as well as our daily lives. I believe it is the aspiration and the goal to which we should work. Like Blair, and in contrast to many 1970s and 1980s feminists, I think we need to move away from the language of separate agendas towards an all-inclusive culture-changing gender agenda. This is why I personally favour the creation of a Gender Unit sitting in the heart of Downing Street, which picks up the brief of the Women's Unit and its issues, whilst at the same time being a catalyst for a more inclusive gender culture. But this should not just focus on 'mainstreaming' gender issues, it must also mean foregrounding them – putting gender right to the top of the domestic policy agenda making it more, not less, visible. It should mean bringing men into the picture, by, for instance, encouraging male ministers to champion issues which have hitherto been the preserve of women ministers, as well as ensuring that more women are in key decision-making posts, not just acting as the fixers and nannies of the Government. It means upping the ante in the gender revolution, not acting as if it is complete.

'Patriarchy is too deeply embedded in our culture for us to assume that we can yet engage in politics in a thoroughly androgynous manner'

For when we deny gender, when we act as if gender is irrelevant, as if power is already shared, when it self-evidently is not, we deradicalise sexual politics. We blunt its energy. We indulge in a politics of denial – we deny that there are difficult issues to be resolved, points of tension, faultlines that cut through New Labour's project and which await resolution. We ignore that old maxim: no pain, no gain. We minimise the task ahead of us. In this sense, New Labour has lost sight of the historical picture. The patriarchal picture.●

Thinkers of the World – Unite

We hope that you enjoy this one-off issue of Marxism Today – but what will you do next month?

Treat yourself to Prospect, the political and cultural monthly magazine with an unrivalled list of contributors covering politics, international relations, science and the arts. Every month you can enjoy in-depth, well crafted essays that provide you with plenty to think about, without ever telling you what to think.

Call Prospect now to receive a free sample copy. If you enjoy the magazine, subscribe for just £29 in the UK, £35 in Europe, or £42($68) outside Europe and receive another copy free.

Receive a copy of Prospect FREE

then decide whether to subscribe – at 20% off the cover price.

To receive your free copy of Prospect, call +44 (0)181 597 0181 quoting reference C07

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Oliver James

In 1970, a prominent politician stated that 'in the next 10 years, we will increase our wealth by 50 per cent. The profound question is, does this mean that we will be 50 per cent richer in any real sense; 50 per cent better off; 50 per cent happier?' The fact that these words were spoken by Richard Milhous Nixon should not distract from their wisdom. Whilst the unsustainability of advanced market capitalism is usually argued in economic or ecological terms, there is a strong psychological argument as well – so far not encompassed by Blairism.

Compared with 1950, we are considerably more affluent and yet there is abundant evidence that we are also substantially more prone to depression, violence and compulsions like alcoholism, eating disorders and gambling – and this is so throughout the developed world. Whilst it is true that developing nations tend to be less happy than developed ones, once a society is rich enough to guarantee a basic level of health, nutrition and education, how rich it subsequently becomes makes no difference to its collective well-being. The richest countries, like the USA, are by no means necessarily also the happiest compared with the poorer ones, like Eire.

What is more, although it is true that in general rich people within developed nations tend to be happier than poorer ones, it is also true that surprising numbers of the rich – not just the late Princess of Wales – are miserable. A study of 49 super-rich Americans, with an average wealth of $125 million, found that 37 per cent of them were less happy than the average American citizen.

These facts undermine the assumption that economic growth is desirable because it will bring greater contentment, a tenet upon which all mainstream political manifestos are based. Whilst individual voters may vote with their heads and wallets rather than their hearts, it is beyond doubt that making them wealthier overall will not make them happier.

That the basic premise of our political economy is false on psychological grounds seems a compelling reason for worrying about the state we're in, over and above the usual economic and ecological ones. It also leads to a rather different critique of Blairism and of the issues it must address.

Our increased unhappiness compared with 1950, despite being richer, is best explained by the incapacity of advanced capitalism to meet our evolved needs and its ruthless over-stimulation of a few instincts. For example, throughout our adult lives most of us fight a battle against being overweight. Unfortunately, like all animals, humans were designed to assume that food is scarce and not that there would be unlimited supplies of highly calorific food available at all times.

Advanced capitalism exploits our instinctive tendency to overeat fats and sugars by dressing food products up as 'healthy' or 'nourishing' or 'energy giving' when what most of us need is plenty of roughage and a lot less calories. Having overeaten, we come to hate our ponderous bodies and so we can be sold diet products. Alternatively, we may starve ourselves. Either way, the net result is an unceasing sense of failure, of a losing battle against being overweight – one made worse by the absurdly thin role models with which we are bombarded in all media.

CHRIS RIDDELL

This is just one example of how the combination of advanced capitalism and our basic instincts can leave us feeling like losers, even if our outward status would seem to make us winners. A sharp rise in aspirations and individualism since 1950, necessary for continuous economic growth, has led to an all-consuming preoccupation with our status, power and wealth relative to others. We compare ourselves excessively often, obsessively, enviously and self-destructively, corrupting the quality of our inner lives. No sooner do we achieve one goal, we move the goalposts to create a new, more difficult one, leaving ourselves permanently dissatisfied and depleted, always yearning for what we have not got. We are a nation of Wannabees.

At the same time, our attachments are falling apart. Despite their greatly improved opportunities, women are dissatisfied in bed and in the workplace. Men are confused and reluctant to accept the new status quo. Much money is made out of this role strain but the result is an unprecedented 'gender rancour' and rising divorce rate, a holocaust of broken bonds at precisely the point in history when we are demanding vastly more from our relationships than ever before. We have not thus far discovered a way to encourage every member of society to reach for the sky and yet avoid selfishness and disappointment when he or she falls to earth.

Put crudely, advanced capitalism makes money out of all this misery and dissatisfaction, as if it were encouraging us to fill the psychic void with material goods. It profits from spurious individualism by encouraging us to define ourselves through our purchases, with our psyches footing the bill.

Thus far, Blairism has shown few signs of being aware of, let alone addressing, these fundamental problems of consumerism. Since the whole project is predicated on a second term and since it would be political suicide to make too abrupt a break with the recent politico-economic past, this is understandable, desirable even.

But it very much remains to be seen whether the systems by which this epidemic of relative deprivation and pathological social comparison have been created – excessive competitive pressures at school and in the workplace; ruthless exploitation of our aspirations and individualism – will ever be questioned by Blairite politics.

Commerce is left uncontrolled to use advertisements that rot our minds with magical thinking and beautiful people living lifestyles that promote dissatisfaction. The education system treats children as mini-computers into whom as much software must be downloaded as early as possible in order to prepare them for their insecure future roles as employees.

These and many other destructive facets of advanced capitalism are simply taken for granted. The current issues for debate within Blairism are largely concerned with how best to manage the status quo in UK plc. If anything more than a vaguely 'New Age' optimism is indicated by the words the 'Third Way', it will have to include plans to use our amazing affluence to work for, rather than against, our emotional well-being. ●

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Susie Orbach

Eighteen months ago millions of people came together to create a new social contract and a new set of possibilities for Britain. While decisively voting against a clapped out, deeply controlling, destructive Conservative government, many of the individuals who cast their votes did so with a weariness and a degree of cynicism. They weren't sure quite what they were voting in. Was there substance? Could things change?

By the early hours of the morning of May 2 it was obvious that Britain had emphatically rejected the Tories. They weren't simply defeated: there was something more. The size of the Labour majority had transformed the individual act of marking X on a ballot slip into an act of social participation, a moment of collective expression. Gone was the weariness and cynicism. Now there was a feeling of relief, then of power, then a sense that finally we could exhale. We'd done it, we'd got them out, we could hold our heads high, could feel our connections with one another, and assert that yes, we as individuals and as a collective were and are a society.

By midday on May 2 the feeling on the street, in the newsagents, at work and at the school gates was one of accomplishment. The joy was palpable. We were citizens, no longer enervated or excluded but embracing a political, constitutional and emotional moment. We could reshape the political landscape and with it the cultural and social practices that had characterised the Thatcher and Major years.

Four months later, with Diana's death, what the individual felt and how he acted again metamorphosed into something larger and more profound than could be expected from the singular acts and feelings of individuals. Diana's death became another moment of participation in which there was a claiming and reshaping of public space, an insistence that public discourse respect the feelings of the people and a moment of potential constitutional change.

A year ago, it would have been possible to claim that New Labour was walking hand in hand with the people to create a revitalised Britain, a Britain which was confident, hopeful and moving towards integrating emotions into public life and in so doing democratising and reshaping public discourse. Emotions were no longer only private matters best kept hidden — even from ourselves. Now we could have feelings about public matters and these kinds of feelings could be a partner in the making of the new social contract that was being created in New Britain. It wasn't that emotions had been absent or banished from public life before 1997. Certainly war, racism, deaths of public figures, nationalism and the monarchy had aroused public feeling on a mass scale before. What was now emerging was the kind of integration of politics and emotions that allowed its citizens, its politics and political discourse to encompass not just policy pragmatics but the kind of reflection and expression that could bring a different feeling and meaning to collective action and the remaking of public space. Emotions augmented democratisation. They were an authentic expression of personal agency and no one person's emotions had more or less legitimacy than any others.

There was a mood on May 2 and that week in September that had something in common with the feelings generated by collective political action in those great movements for social change three decades ago which had insisted that the personal was political and the political was personal. But there was something new and different too. For while the ideas propelling the black liberation movement, the New Left and the women's liberation movement had marked a generation and had flowed into the environmental movement of recent years, such ideas and practices preoccupied only a minority and were far away from the centre of the political stage and public space during a 1980s and 1990s dominated by neoliberalism and individualism (the personal without the political).

May and September by contrast offered moments of mass participation in the life of the nation. A dynamic and relatively youthful political leadership was seen to be reaching out to embrace and be underpinned by this participation. In a parallel to the political settlement following the second world war when public space was enhanced by the presence of an active politicised working class, the events of May and September involved a significant majority of us, enabling Britain to take a look at itself afresh and celebrate the togetherness of purpose amidst a diversity of interests. Democracy and the collective were being revitalised by the inclusion of groups of first and second generation immigrants often invisible, by the emotional engagement of its citizens with the political and social issues of the day.

But, and it's a painful but, the public space which looked like it was being claimed, opened up and reformed, quickly closed down. And into a space that for several months appeared exuberant, hopeful, confident and an expression of political promise, a malaise and a discontent has begun to settle. We've seen a trend away from the embrace of participation, away from the bottom-up democratisation of public space, away from a partnership between government and its people and a severing of the nascent realignment of politics and emotions in which politics is understood as an expression of deep human feelings about belonging, justice and equality. Instead, the feelings have been redirected with the political becoming about control and power and the personal becoming a symptom of the depoliticisation of public life. The moment of a year ago has been turned on its head.

Where in May and September the nation's coming together expressed something profound about its sense of itself as a body politic, the coming togethers of the past year have been characterised by what we might term emotionalism. Our interest is now drawn not to the realisation of our deepest political feelings in concrete acts of legislation, nor to novel ways of participating in the political process, nor to engaged support for the project of revitalising Britain, but instead to stories of wrongdoing. Our newspapers campaign on the side of the alleged victims or the alleged perpetrators, plucking at our heart strings to engender support where the underlying structural issues are set aside or remain unaddressed. Louise Woodward becomes 'Our Girl'. Although the support for her encodes a set of agendas which crystallise important issues of our time – child care and parent care, untrained nannies, low wages, child abuse, displaced anti-Americanism and provides (along with the tv companies' funding of the drinks of her supporters in the pub) the basis for the mass interest in the case, public participation is invited in essentially emotional terms. We are defending or worrying about 'Our Girl' rather than reflecting on and indeed feeling or thinking at more than a superficial level about the issues the case raises. It is unclear why the British people are so behind Louise Woodward except that she is the secondary victim; the victim of the prosecution.

So too with the hounding of paedophiles or Mary Bell. The deeply disturbing issues of cruelty perpetrated towards children and by children, any analysis of how it is that people come to act in this way, the underlying motivation, the relationship between powerlessness, rage and cruelty, what it says about our habits of child rearing, the question of rehabilitation, the widespread concern about sexual abuse, are all subsumed under a screeching of ersatz emotionalism rather than given the space to let us feel their difficult painful complexities.

The issues crucially demanding public discourse evaporate. We are left with a sense of participation through superficially shared emotional expression rather than a linking of the political, economic, social and emotional issues that these cases pose. Our participation in the public space

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MARTIN GODWIN

No10 Di straits

is downgraded and degraded. We can be emotional as long as it is cut off from deeper social or structural considerations. We can be emotional as long as it isn't political.

Only in the Stephen Lawrence case have the personal and the political come together. There the dignity and determination of parents and the inquiry have insisted that the institutionalised racism in the police force which has shielded the perpetrators must be addressed (and at the time of writing Paul Condon has refused to acknowledge its existence). The emotions involved, while not disregarding the tragedy, have linked in with deeply felt demands for honesty, accountability and justice. Although the press came in as supporters, they did so quite far into the campaign (when the editor of the *Daily Mail* discovered a personal connection) and too late to sever the political issues from the individual act of murder.

But perhaps, one might argue, this is the nature of public life and my complaint is but a whinge. Celebrity, tragedy, triumph, accomplishment, are the pools in which we play and it is only in rare moments such as May and September 1997 that public space is infused with the mix of the head and the heart in a way that opens up the possibility of a more profound sense of engagement and participation. Perhaps my disquiet and dissatisfaction is personal rather than a commentary on the political and emotional health of the nation. But I tend to think not. There are worrying trends that jeopardise aspects of Britain's renewal and the hope for this government.

'The moment of being part of articulating something new has passed as though it were a dream'

The sense of possibility, of involvement by the many with their differing ideas that was evident on the streets in May and September, has disappeared. The individual sense of agency, of being able to make a difference, of having a significance outside of our own personal lives, has, instead of strengthening over the last year, weakened. The moment of being part of articulating and shaping something new has passed as though it were a dream.

In place of participation we have politics not quite as usual (because the Labour government's style is new) but a politics of corporatism in which the few are meant to represent the many without the diverse voices of the many actually participating. The lean look of the government, the purposefulness and seriousness it projects (which many admire) become translated in the public mind not with an invitation to participate but with a sense that there is little place to do so. While the cultural style of Blair has been to be open to all — musicians, businessmen, youth, international leaders, not simply in a presidential manner but in a manner which conveys the sense that there is room for celebration of who we are – his political leadership speaks another message. There we pick up the sense that control is crucial, that criticism is rarely seen as constructive, that diverse voices are unwelcome or even dangerous, that the real alliances are not between people but that the corporate remake of Britain is interested primarily in other corporations with whom Britain can do business. The Government's representation of itself seems to pose the opposite of an inclusive society.

With Blair's decision to make offerings towards the Royal Family in that first week of September and to then reinforce it at the Queen's golden wedding – along with the sense that the national executive of the Labour party must be controlled – we lost the sense that this was our government. Where we had sensed alliance and engagement we saw, smelled, tasted instead the accommodations that every Labour government has made to preserve the deference of the subject rather than promote the rights of the citizen. To be sure this is not the whole story. Blair has made significant and important steps towards the kind of constitutional reform and political practice that lies in direct contrast to such deference. The reform of the Lords, Scottish and Welsh parliaments, the proposal for a Mayor for London and the institution of citizen juries to assess and think through the implications of policy change are extremely welcome. They are a step towards citizenship and away from the notion of the subject.

But we seem to be faced with a government looking two ways at once. Instead of an emboldened, entitled government we have a government apparently frightened by its large majority into believing that it must hold on to the Tory vote of Middle England that it captured without hoping to bring it along as part of something new too. A government so unclear about what it can do with its huge mandate, that it has settled for agreements with multinationals that diminish our democratic flexibility and for a reliance on the United States to bolster its sense of importance.

Blair's accommodation with the status quo broke what had been a tentative new relationship with a wanted and a welcomed new government. It depoliticised the points at which we, as citizens, could participate and be heard. We can be left with emotionalism, the human interest story in public life as an anaemic form of social engagement, or we can insist that our emotional and political responses link up in ways that empower the political process, the life of the nation and our individual experiences.●

© Susie Orbach

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Marxism Today is very grateful to The Barry Amiel and Norman Melburn Trust whose financial support from the outset gave us the confidence to proceed. We would also like to thank James Sainsbury for his very generous donation.
We would like to express our appreciation to the following for their contributions:
Geoff Andrews, Doug Bain, Joe Ball, Jon Bloomfield, Rosalind Brunt, Rosie Campbell, Frank Chalmers, Joe Collier, Rohan Collier, Diane Dixon, Andy Dobson, Stuart Hall, David Held, Paul Keers, Lance Knobel, Philippa Langton, Sonia Liff, Carol MacKinnon, Betty Matthews, George Matthews, Arthur Mendelson, Greg Parston, Mark Perryman, Sioned-Mair Richards, Jonathan Rutherford, Brian Simon, Roger Simon, Bren Simson, Michael Stephen, Fred Steward, Willie Thompson, Bob Tyrrell, Gwyneth Williams, Jane Woddis, David Youlton.

The appeal also received a large number of anonymous donations for which we express our thanks.

Funds Still Needed

Producing a magazine as a one-off is a remarkably expensive business and we were only able to contact a small number of those who read and supported *Marxism Today* in the past to ask for their assistance. We are confident there are many, many others who if asked would have been only too willing to give. Funds are still needed so if you would like to make a donation please make your cheque payable to: *MT Appeal* and send to **MT Appeal, PO Box 10684, London N15 6XA**.

Many thanks to those who participated in the **Marxism Today Weekend Seminar** (4-6 September,1998) which acted as the test-bed for this issue and made it possible:
Decca Aitkenhead, Yasmin Alibhai-Brown, Geoff Andrews, Anthony Barnett, Vincent Cable, Apala Chowdhury, Anne Coddington, Diane Coyle, David Edgar, Jonathan Freedland, Stuart Hall, David Halpern, David Held, Eric Hobsbawm, Gerald Holtham, Will Hutton, Martin Jacques, Oliver James, Anatole Kaletsky, John Lloyd, Joyce MacMillan, Angela McRobbie, Doreen Massey, Suzanne Moore, Chantal Mouffe, Geoff Mulgan, Robin Murray, Tom Nairn, Bhikhu Parekh, Herbert Pimlott, Kevin Robins, Michael Rustin, Julian Turner, Bob Tyrrell, Sophie Watson, Richard Wilkinson, Gwyneth Williams

Notes on Contributors

David Aaronovitch is a broadcaster and columnist on *The Independent.*
Yasmin Alibhai-Brown is a Research Fellow at the Institute for Public Policy Research.
Anthony Barnett was the Founding Director of Charter 88 and is the author of *This Time: Our Constitutional Revolution* (Vintage).
Matthew De Abaitua writes for *The Idler.*
David Edgar is an author and playwright.He was a board member of *Marxism Today* and wrote frequently for the magazine.
Euan Ferguson is Comment Editor of *The Observer.*
Jonathan Freedland is a columnist and writer for *The Guardian* and the author of *Bring Home the Revolution: How Britain Can Live the American Dream* (Fouth Estate).
Jonathan Glancey is the architectural correspondent for *The Guardian.*
Stuart Hall recently retired as Professor of Sociology at the Open University. In 1979, he wrote the pioneering article on Thatcherism, 'The Great Moving Right Show', for *Marxism Today* which influenced a generation of political thought.
David Held is Professor of Politics and Sociology at the Open University and Director of Polity Press.His most recent book is *Global Transformations:Politics, Economics and Culture* (Polity 1999).
Eric Hobsbawm is a Fellow of the British Academy and the American Academy of Arts and Sciences.His many books include *The Age of Extremes; The Short Twentieth Century 1914-1991* (Abacus 1995).
Gerald Holtham, formerly Director of the Institute for Public Policy Research, is now Global Strategist for Norwich Union Investment Management.
Will Hutton is the author of *The State We're In* (Vintage 1996) and Editor-in Chief of *The Observer.*
Martin Jacques, formerly editor of *Marxism Today* and deputy editor of *The Independent*, was co-founder of the think tank Demos. He is about to spend three years in East Asia working on a book on competing modernities.
Oliver James, a former clinical psychologist, is now a TV producer and journalist. Author of *Britain on the Couch* (Arrow, 1998), he is mainly known for having made Peter Mandelson cry on the telly.
Anatole Kaletsky is a columnist on *The Times*, after a period as its Economics Editor, and previously worked for *The Financial Times.*
Angela McRobbie is Professor of Communications at Goldsmiths College. She writes regularly for a range of magazines and newspapers on culture, politics and young people.
Suzanne Moore is a journalist, broadcaster and columnist on *The Independent.*
Geoff Mulgan has been Director of Demos since its inception in 1993. He is a member of the Prime Minister's Policy Unit and is working on social exclusion.He writes in his personal capacity.
Tom Nairn is an author and journalist. His latest book *After Britain* will be published by Granta in spring 1999. His book, *The Break-Up of Britain* (NLB 1977) proved remarkably prescient.
Susie Orbach is a psychotherapist and a Visiting Professor at the London School of Economics. She writes a regular column for *The Guardian.*
Bhikhu Parekh is Professor of Political Theory at the University of Hull and formerly Deputy Chair of the Commission for Racial Equality.
Antonio Polito is the London correspondent of *La Repubblica.*
David Rowan is editor of *The Guardian*'s Saturday section *The Editor.*
Helen Wilkinson is currently on sabbatical from Demos where she is Project Director.Her book *The Age of Androgyny* will be published by Harper Collins in 2000.
Richard Wilkinson, is professorial research fellow in Social Epidemiology at the University of Sussex. His most recent book, *Unhealthy Societies: the Afflictions of Inequality* (Routledge 1996) explains why more egalitarian societies tend to be healthier than less egalitarian ones.

Left at Number Ten

TRIBUNE

Every week, TRIBUNE carries all the news and views from Labour and the Left. TRIBUNE is essential reading for all those keen to keep up to speed with events in the New Labour Government and in touch with campaigns on key issues such as the Welfare State. TRIBUNE, the first political journal to coin the term "Thatcherism", remains at the cutting edge of debate on the left.

Tick the box on the form below and save 20 per cent on the normal price of a three month subscription.

❑ I enclose a cheque for £10 made payable to Tribune Publications Ltd and crossed "not transferable" for a three month special offer subscription to TRIBUNE.

Name.....

Address.....

.....Postcode.....

Send the completed form to: **Tribune Subscriptions, Freepost, 308 Gray's Inn Road, London WC1X 8BR** (no stamp needed).

Marxism Today

redpepper

what's left for radical thinkers?

redpepper
mary kaldor • sara maitland • libby brooks • mark seddon
sorry, the system has crashed
free market stalinism the triumph that turned sour, by boris kagarlitsky

"Red Pepper provides the only effective voice for the green and radical left." Michael Mansfield QC

Read about tomorrow's left with Libby Brooks, Ken Livingstone, Sara Maitland, Gary Younge, George Monbiot, Chantal Mouffe, Susie Orbach, Boris Kagarlitsky, Tom Nairn and Nick Cohen.

special offer: a one-year subscription to the new-look redpepper for under £20!

YES, I WISH TO SUBSCRIBE TO RED PEPPER AT THE SPECIAL OFFER PRICE

MT98

❑ **I enclose my cheque (payable to Red Pepper) for £21.95, a saving of £5**

❑ **I wish to pay by direct debit at the special price of £19.95, a saving of £7**
(please send me a direct debit mandate form)

Name _____

Address _____

_____ Postcode _____ Tel _____

Send this form to: **Red Pepper Subscriptions, FREEPOST LON 11412, London N19 5BR**

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The next great thinker, by

Marx With Sparks

At the close of this century, some old thoughts are creeping back into fashion

It was a bit of a cheek, some people said, for a resurrected *Marxism Today* to organise a critique of the Blair project. Was this the same *Marxism Today* which declared the forward march of Labour halted? Which argued, so loudly and so long, that Old Labour had lost its working-class millions? Which insisted that the era of socialism had been overtaken by New Times? Were not these people in effect the harbingers of Blairism, at the very least playing John the Baptist to its Jesus Christ? And having the immortal gall to do so in the name of a political giant whose project they had set out to consign to the dustbin of history?

But hang on a mo. Che Guevara once remarked that it wasn't his fault that reality was Marxist. For most of the post-war era, this appeared a doubtful proposition; from 1989 it looked downright loopy.

'A popular politics of community might be growing both inside and out from the globalisation adventure.'

Yet last October in an issue of the *New Yorker* that attempted to predict coming trends, John Cassidy argued that the Next Great Thinker was a currently unfashionable 19th century Rhinelander, whose prescriptions for the future seemed no less batty (and deadly) as they had hitherto, but whose diagnosis of what was wrong with the present seemed increasingly profound.

Like Eric Hobsbawm, Cassidy pointed in particular to Marx's prediction of things that weren't true when he wrote them, but look increasingly current now. In the *Communist Manifesto* (published 150 years ago), Marx and Engels insisted that 'the need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe'. But the *Manifesto* goes beyond predicting globalisation: it predicts a number of consequences of it which may now seem self-evident but certainly would not have done so in 1848.

First, that capitalism would not only establish new industries, but also constantly destroy the industries that it itself created (particularly national industries based on indigenous raw materials).

Second, that this process involves both the creation of new wants and the homogenising of worldwide production and consumption by the metropolis.

Third, that an increasing proportion of the trade thus rendered cosmopolitan is in the realm of intellectual production.

And, fourth, that this process would lead to the increasing poverty of the vast majority.

The way beleaguered marxists used to look at immiseration was to internationalise it. Now, given increasing disparities within industrialised countries, they no longer need to.

What Marx and Engels failed to predict, of course, was the fracturing of the class system. Both thought that although the relentless search for markets would send capital exploding through the galaxies, work would become increasingly homogenised, concentrated and militarised.

Even here, Marx and Engels are half right: the *Manifesto*'s description of the labour process could apply with little amendment to the experience of working at Sainsbury's or McDonald's, and – lo and behold – it ends with the prediction that men's labour will be superseded by women's.

But the most astonishingly prescient passage in the *Manifesto* is the one that describes the cultural consequences of capitalism's economic fecundity: the removal of 'all fixed, fast frozen relations' in society, the undermining of the traditional professions and the traditional family, and the creation, in its place, of a condition of 'uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation'.

And into what have all these seemingly solid structure melted? Why, along with so much else, into the air. Masked in the past by the conventional modes of life of individual entrepreneurs (and certainly by the unhelpful double-meaning of the word 'bourgeois'), the above passage applies pretty obviously to what happened in the 1980s and what is continuing to happen now.

But, as Cassidy argues, the problem isn't the economic diagnosis, it's the political solution. Marx famously didn't provide a blueprint for communism or socialism; in practice, they both consisted of the attempt to solve economic problems by political means, from the command Soviet economy to the American New Deal and nationalisation.

Thatcherite neo-liberalism consisted precisely of turning that procedure on its head, using the economic means of privatisation to the political end of reconstituting the traditional cultural, social and sexual attitudes undermined by the welfare state in the 1960s. While, in fact, these social changes were being brought about by the very economic forces that Thatcherism sought to liberate from the shackles of state control.

One reading of the Blair project is that it has understood all of this and concluded that there's nothing much that can be done about it. The economics are a given and all you can really do is administer the bruise cream.

There is a more optimistic view which says that the current discontents of classic liberal economics imply and demand a renewed role for politics. Marxism's great mistake wasn't the identification of the proletariat as the creation and victim of capitalism; it was to cast it as the exclusive agent of change. In reality, communism and social-democracy both consisted of an alliance between the dispossessed and the intelligentsia, around a programme which made sense to a social majority.

Neo-liberalism set out to counter the undoubted failures of state socialism, and in doing so opened up new social, economic and indeed technological possibilities for change.

However, it also renewed, and in some ways worsened, the problems of poverty, insecurity and disparity which state socialism sought to address. As state socialism nestled in the belly of industrial capitalism, so a popular politics of community might be growing both inside and out from the globalisation adventure.

ANDRZEJ KRAUZE

'What Marx and Engels failed to predict, of course, was the fracturing of the class system.'

Industrial capitalism, state socialism, neo-liberalism. Old Ways, New World, New Times. Nationalism, globalism, localism. State socialism, neo-liberalism, Third Way. Thesis, antithesis, synthesis. Now where have we heard that before?●

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Our philosophy is Double Dutch

and **French** and **Danish** and **Norwegian** and **Irish** and **Scottish** and **Brazilian** and **Hungarian** and **Jamaican**

For a **free** t-shirt catalogue call

0181 802 3499

PHILOSOPHY FOOTBALL
Sporting outfitters of intellectual distinction

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

To get the full story on the upcoming recession you could spend hours studying the markets.

Or simply read Will Hutton's column.

The Observer

Read Will Hutton, every Sunday.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED